UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

Vol. III, no. 61. Section 1. December 13,1921.

Secretary Wallace's Report

Reviewing Secretary Wallace's first annual report to the President, The Wall Street Journal to-day says in an editorial: "When, in the past two years, there has been so much said about strikes for more wages, strikes against cuts in wages, and profiteering on all sides, it is good to read of one large class of men who did not strike when their wages were reduced. These same men, when urged to produce more, actually speeded up their production knowing that it would be the signal for still lower wages. These facts are set forth in the first annual report of the Secretary of Agriculture. But Mr. Wallace does more than show how the farmers, after producing a crop at the highest cost known and selling it at a loss, again planted generously. He analyzes the cause and the effect of the depression in farm prices. If it is not generally understood now, it should be in the future, that whatever hurts or benefits the farmers in like manner affects the whole country. Although business depression is worldwide and the inevitable result of the war, much of our trouble is self-inflicted, due to a vicious circle built around the farmers compelling them to give much of their products in exchange for little of those of industry. Mr. Wallace refers to the well-meant but ill-advised efforts of many to legislate a way out of our difficulties by government control and price fixing. 'But,' said he,'the experience of three thousand years shows the impracticability of such efforts.' The part high freight rates may have had in curtailing the purchasing power of 40 per cent of the population is graphically shown. The increase to the farmer has been tremendous in the past few years, and the effect, he says, is equal to picking up a man's farm and setting it down again some hundreds of miles further from the market for his products. ... But at least the worst is over for the farmers, although the Secretary does not indulge in rainbow prophecies. 'Ignorant optimism,' he says, 'is as bad as doleful pessimism.' Therefore, one feels better satisfied at his confidence of a gradual recovery which is even now setting in. It will come faster when people realize that the country cannot prosper by robbing one large class to help others."

Further Comment on the Report

The New York Daily News Record, Dec. 12, says, in a lengthy review of Secretary Wallace's report: "A note of optimism over the future outlook of American agriculture in spite of the present serious plight of the farmers of this country was sounded by the Secretary of Agriculture in his annual report to the President made public to-day. The worst period, he believes, is over, and a gradual improvement from now on may be looked for, with the beginning of a new agricultural era as the outcome of the present distressing times. The Secretary reviewed faithfully the present situation of American agriculture, analyzing the factors that brought it about. In large part, he declared, the troubles of the farmer to-day are due to world-wide conditions and the inevitable result of the World War, and it is not to be expected that by some miraculous transfor-

nation this period of adversity may be turned into a period of prosperity. High freight rates, big crops produced in the face of high costs, unemployment in the other industries of the country with the attendant lessening in buying, and the lack of foreign markets for our surpluses are given by the Secretary as the more immediate causes for agricultural conditions facing the farmer this year. In some respects a vicious circle has been created that it is difficult for us to break through, he declared. ... "

In a comprehensive review of the report, The New York Times Dec. 12 says: "Freely and frankly discussing the present plight of the American farmer, Secretary Wallace tells the President in his first annual report to-day that there 'seems to be good reasons for believing that the worst is over and that we may reasonably hope for gradual improvement from now on.' He adds that 'a clear recognition of the conditions as they exist should help us to realize this hope.' ... The Agriculture Secretary thinks that when the country finally emerges from the present condition it will find itself at the beginning of a new agricultural era. ... "

Secretary Hoover's Report — In his first annual report, made public Dec. 12, Secretary Hoover tells President Harding that the establishment of a real Department of Commerce, "effective in service to producers, manufacturers and distributors, able to give economic interpretation of importance to the American public generally, and to stimulate American trade and merchant marine" requires a "thorough reorganization and entire regrouping of the Federal functions bearing on these problems." (Assoc. Press, Dec. 13.)

Russian Relief Asked — Senator Kenyon Dec. 12 introduced a resolution providing for an appropriation of $10,000,000 for the purchase of corn and seed grains for the relief of the people of Russia. (Press, Dec. 13.)

Deficiency Bill — The Senate Dec. 12 passed the first deficiency bill, carrying a total of $106,600,000. (Press, Dec. 13.)

Future Trading Act — The Board of Trade of Chicago and members of that exchange will be permitted to operate after December 24 under a revised order issued Dec. 12 by the Supreme Court. The order, which is temporary, was made to meet the Future Trading Act, which takes effect on that date. (Press, Dec. 13.)

Section 2.

Budget System — The Commercial and Financial Chronicle for Dec. 10 says: "The true significance of General Dawes's report lies not alone in its description of the work done since the inauguration of the new budget system, and to which we refer at length in a separate article on a subsequent page, but even more so in its grasp and formulation of great principles of governmental business management. It is at once a warning and a clarion call to rescue the Government from administrative disintegration. The situation which he faced five months ago was unparalleled in the history of government. Here was an organization spending five billions a year for running expenses without any form of centralized control, without any means of gaining or presenting co-ordinated information, and with no one responsible for the

administration as a whole. It was Congressional administration - the old haphazard methods under which the country had worried along for over a century. The President was not considered as having responsibilities, nor had he the means of making his constitutional responsibility effective. The Cabinet officers did not consider themselves as responsible heads of great business branches of the Government, nor did they have the authority to control the activities of the bureaus under their jurisdiction. The bureau chiefs themselves looked, not to the President nor to their Cabinet heads, but to Congress, for instructions. ... The complete breakdown of Congressional management was apparent to everyone when the financial lessons of the war became evident. Congress then passed the Budget and Accounting Act, thus laying the legal basis for a revolution in our system of financial administration. ... The Government is now on the way to an orderly and healthy system of business management, thanks to the courage and ability of General Dawes, and the prompting and unqualified cooperation of the President."

Farm Credits Meeting

A monetary conference, to consider farm credits, with representatives expected from many of the western and southern states, will convene at Washington Dec. 15. (Press, Dec. 13.)

Farmer Problems

"Farmer Still Gets the Short End of the Stick" is the title of an article by D. C. Wills, chairman of the board, Federal Reserve Bank of Cleveland, in Chicago Journal of Commerce for Dec. 8, which says in part: "Ordinarily the farmer is the nation's greatest buyer, and until he gets back into the market there can be no normal resumption of business. The reason he is not a heavy buyer in the market is because he has to pay too much for what he wants to buy, in proportion to the prices he receives for the products he has to sell. Just like other business men, the farmer cannot become a force in the solution of our problems until he can produce, ship and market his products at a profit."

Farm Organization Work

"In our farm organization work, we need objectives which shall be recognized as legitimate both by farm people and city people. An objective which should commend itself to all classes of society is the following: A price for farm products high enough to return 6 per cent on the 1914 value of the land and to pay farm labor a wage as much above its prewar as city labor is above its prewar. Corn must sell for at least 60 cents a bushel on the farm to enable us to meet this objective. Hogs must be $9 at Chicago, and other things in proportion. Other classes of society, although they recognize this objective as legitimate, are not going out of their way to help the farmer obtain it. It is up to the more intelligent farmers to organize to secure 6 per cent on the prewar value of their land and a return for farm labor as high as city labor. Steel men, faced with a problem of this sort, found that the only way was to control production, so as to meet the demand at a price more continuously representing the cost of production. Farmers are slowly learning the same lesson. The degree to which corn belt farmers reduce their corn acreage next spring will demonstrate how well we of the corn belt have learned it." (Wallaces' Farmer, Dec. 9.)

Grain Marketing

"The Proper Way" is the title of an editorial in The National Stockman and Farmer for Dec. 10, which says: "When we analyzed the grain marketing plan of the Committee of Seventeen as it was embodied in U. S. Grain Growers, Inc., and its subsidiary corporations we were assailed as an enemy of organized farmers. When we pointed out the vital defect in the $100,000,000 corporation which was to provide funds to finance the scheme we were assured that we knew nothing about it; for had not a committee of eminent lawyers approved it? To-day that corporation is outlawed under the laws of several states, and if it functions at all nothing is said about it. And now it appears that U. S. Grain Growers, Inc., is doing little actual business and there is some doubt about its future. All of which does not prove that cooperative marketing, or cooperative financing of the same, is an iridescent dream, but it does indicate that the proper way to attain cooperative success is to begin at the bottom and build up, rather than to impose any plan from the top."

Meat Marketing in Cleveland

Cleveland meat packers and retailers have formed a council similar to those in New York and Chicago to promote closer relations between the manufacturing and distribution ends of the meat business and will encourage better purchasing methods and more efficient deliveries. Arthur S. Pickering, president of the Retail Meat Dealers' Association, is president. (Press, Dec. 12.)

Packers' Case

Modification of the packer-consent decree as proposed to allow the five large packing companies to handle unrelated lines would lead, in the opinion of the Federal Trade Commission, to domination of the country's food supply by the five companies. The views of the commission were presented by W. Y. Durant, its assistant chief economist, Dec. 12, to the inter-departmental board conducting hearings on the advisability of modifying the decree under which the "Big Five" packers two years ago were ordered to divorce themselves from all activities except the butchering and handling of meat and similar products. (Press, Dec. 13.)

Packer Employees' Strike

The situation in Chicago is unchanged, according to the press of to-day. It is reported that meat workers of New York, who walked out Dec. 12 in sympathy with western strikers, violated their agreement, which does not expire until May 16, plant managers declared. The strike was confined to the "Big Five" packers and subsidiaries. Union officials said 6,000 had quit; employers admitted 3,000.

Tariff Commission Reorganization

"Reorganization of the Tariff Commission about the first of the new year, including the appointment of a Republican chairman in place of the present Democratic chairman, will come at a time when the President's program will be taking its final, definite shape in Congress. The special $100,000 report on selling prices in the United States is nearing completion, and will be ready for submittal to the finance committee of the Senate in tabulated form on January 10, by which date it now seems probable the actual rewriting of the Fordney bill, along lines conformable to the suggestions in Mr. Harding's annual message, can be begun." (Wash. Post, Dec. 11.)

Section 3.

Department of Agriculture

1. The Philadelphia Public Ledger to-day says: "Secretary Wallace, of the Department of Agriculture, certainly will not do the proper thing unless he awards large leather medals to all the persons in the crop-reporting division who have turned their powerful minds on the subject of estimating the size of this year's cotton crop. With the best of information at their command and a system founded on many years of experience, the department missed the total only 1,800,000 bales. A couple of months ago it announced the yield to be 6,500,000. Now it puts the total at 8,340,000. If the Agricultural Department cannot serve the public better than that it should cease putting out estimates. It is unjust to tax the American people for the support of persons who merely guess - and guess so badly as in this particular case."

2. "It is not worth while to get excited over the newspaper accounts of the new breed of chickens lately developed by the Department of Agriculture and named the Lamona. They were evolved by making several crossings of different breeds but it will take a good while to make them stay 'put.' Neither eggs nor fowls are procurable at this time, and poultrymen will do well to wait and see what is 'hatched' by a few more years of experimentation." (Pennsylvania Farmer, Dec. 10)

Section 4.

MARKET QUOTATIONS.

Farm Products

Dec. 12: Wheat unsettled within narrow range. Export demand inactive. Visible supply wheat 47,337,000 bus., a decrease of 426,000 bus. for week; visible supply corn 15,950,000 bus., an increase of 432,000 bus. for week. Chicago May wheat lower at $1.13 1/4; Chicago May corn lower at 53 1/2¢. Closing prices in Chicago cash market: No. 2 red winter wheat $1.17; No. 2 hard winter $1.12; No. 2 mixed corn 49¢; No. 3 white oats 34¢.

Chicago hog market lower, bulk of sales $6.75 to $7.15. Beef steers mostly 25 to 50¢ lower; medium and good beef steers $6.65 to $10; butcher cows and heifers $3.40 to $8.75. Fat lambs down 25 to 50¢ at $10 to $11.25. Feeder lambs up 25 to 50¢ at $8.50 to $11.25.

Potato markets nearly steady. Bulk Green Mountains $1.31 to $1.36 f.o.b. Maine shipping points. Sacked Round Whites $1.70 to $1.75 per 100 lbs. f.o.b. Rochester, N.Y. Danish type cabbage $42 to $43 bulk per ton for medium sizes, f.o.b. western New York points; $46 to $50 at Wisconsin points. A 2 1/2 inch Baldwin apples from cold storage $7 per bbl. western New York points.

Usual holiday dullness affecting hay markets. Receipts generally are light and in some markets mostly of poor quality. Good hay scarce. Little activity in feed markets. There is no scarcity but offerings for immediate shipment in some cases are light. Export and domestic demand for linseed meal diminishing.

Butter markets firm. Accumulations are mostly of medium grades. Cheese markets more active. General feeling of confidence. Production shrinking.

Spot cotton lower at 17¢ per lb. New York December futures also lower at 17.40¢. (Prepared by Bur. of Mkts. & Crop Est.)

Industrials and Railroads

Dec. 12: Average closing price 20 industrials 80.63, as compared with 70.48 corresponding day 1920; average closing price 20 railroad stocks 74.38, as compared with 71.70. (Wall St. Jour., Dec. 13)

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Vol. III, no. 62. Section I. December 14, 1921.

Congressional Commission's Recommendations

Chairman Anderson, of the Joint Congressional Commission of Agricultural Inquiry, announced Dec. 12 that the commission in its report, part of which will be filed later this month, will recommend legislation to legalize cooperative combination of farmers for marketing and distribution of their products, as well as creation of agricultural attaches at American consulates in foreign countries. (Press, Dec. 14.)

Cotton Acreage

Southern cotton planters, merchants and bankers, at a conference called at Memphis, Tenn., Dec. 12, to inaugurate a campaign for cotton acreage limitation and crop diversification in 1922, adopted resolutions urging that cotton acreage next year be limited to the area planted in cotton in 1921, and organized the convention as a permanent institution with meetings to be held in Memphis each year. (Press, Dec. 14.)

Tariff on Fiber

Manufacturers appealed before the Senate Finance Committee Dec. 12 for additional tariff protection for American grass and fiber-making and flax-growing industries, while representatives of importing interests opposed all proposed increases. (Press, Dec. 13.)

Senate Committee Tariff Hearings

J. M. Stambaugh, of Ada, Ohio, speaking, Dec. 13, before the Senate Finance Committee, for the National Onion Growers' Association, told the committee that the duty on onions provided in the Emergency Tariff bill had not proved adequate and that the American growers were "alarmed" by the inroads being made in the American market by Spanish onion growers, who, he said, developed their industry extensively during the war.

L. J. Scaramelli, representing the Italian Chamber of Commerce of New York City, asked for reduced rates on cheese and lemons, and for substantially the existing rates on olive oil, almonds, walnuts, tomato sauce, canned tomatoes, preserved fish and peas and beans.

Special consideration for the canary bird was asked by C. E. Richardson, of Washington, who said that under the Fordney bill they would come under the "poultry" classification, with a prohibitive duty. He urged the committee to put them on the free list.

The committee was asked to protect another war-time industry, the manufacture of tomato paste. John S. Mitchell of Windfall, Ind., a manufacturer, asked for a rate of 42 per cent. ad valorem on the American valuation, in place of the 28 per cent. proposed in the Fordney bill.

A flat duty of 20 per cent. ad valorem on live stock, cattle hides and fresh and prepared meat was asked by Col. I. T. Pryor of San Antonio, Tex. speaking for

the American National Live Stock Association. The rates in the Fordney bill are 1 cent a pound on cattle under two years and 1½ cents on those over two years, with a rate of 2 cents a pound on dressed beef. Hides are retained on the free list.

Asserting that the rates on frozen eggs proposed in the Fordney bill were prohibitive, Ralph Ward, of New York, representing a large baking concern, asked for a uniform rate of 2 cents a pound on such eggs. He said most of this commodity came from China and did not enter into serious competition with the American product. (Press, Dec. 14.)

Rail Wages

Slashing extra-pay provisions for the first two hours of overtime after the regular eight-hour day's work from rules governing railway maintenance of way employes, the United States Railroad Labor Board has set up a schedule of ten hours a day at the regular hourly wage for common laborers in new rules announced at Chicago, Dec. 13, to replace the national agreement made under Government control. The principle that "eight consecutive hours shall constitute a day's work" is retained, however, and time and one-half pay is granted after ten hours' work. (Assoc. Press, Dec. 14.)

Section 2.

Agricultural Financing

Orange Judd Farmer, Dec. 1, says in an editorial: "Helping the farmer is the greatest indoor sport in Washington. Everybody is rushing out his pet cure-all, and each one, if you would believe its advocates, is the absolute specific for the present ills of the farmer . . . . . Most of these plans to remake the world by pulling the farmer out of the mud center around the idea of making it easy for him to get further into debt. Borrowing money is no royal road to success, and it is an especially risky thing to do when the money is to be used in producing bigger crops at a time when there is already ample production to meet present needs. . . . . If Washington will stop playing politics and reduce taxes by cutting Government expenses it will be giving practical relief instead of merely making gestures. . . ."

Corn Acreage

"The farm bureau federations of the Middle West, in particular, are facing the opportunity of a generation. They can lead an enthusiastic, concerted movement to reduce corn acreage and so go a long ways toward putting grain prices on a profit basis next year. Or they can dodge this issue and tackle straw men. Some of the Middle Western leaders favor the latter course. If their advice is followed the farm bureau federations will miss the greatest opportunities of a generation. . . . . Are the Middle Western farm bureau federations courageous enough to take advantage of this opportunity?" (The Prairie Farmer, Dec. 3.)

Corn in Nebraska

The Nebraska Farmer for Dec. 10 says in an editorial: "From Chicago, east the impression has begun to prevail that corn is being used as freely as cobs or coal in Nebraska, and almost no one knows that the farmer is offered more than about 16 cents a bushel for his corn. The fact is that relatively little corn will be burned, and as for the price of corn, it is improbable that any appreciable amount has been sold for less than 25 cents a bushel, while the prevailing price at the present time is nearer 30 cents a bushel. These incidents illustrate the widespread misunderstanding in foreign territory, relative to farm conditions throughout the cornbelt."

arming in Iowa

"Arthur Reynolds, president of the Chicago Continental and Commercial National Bank, who has returned from an inspection tour through Iowa, says: The farmer is sober; sometimes belligerent seldom discouraged; never revolutionary. He understands things. He wants to pay his debts and recover prosperity. He will buy nothing beyond urgent necessities until relationship between what he sells and buys approaches parity. . . .' " (Wall St. Jour., Dec. 12.)

lour Price Bill

The Bankers' Trust Company, New York, reports that a new bill has just been introduced in the French Chamber of Deputies to establish a definite relation between the price of wheat, the price of flour and the price of bread. The prefect of each department in France would be authorized, after consultation with the competent authorities, to fix the price of flour in accordance with the cost of wheat. Any violation of this law, if it is voted, would be punished by a fine and imprisonment varying from five days to six months.

Grain Marketing.

C. H. Gustafson, president of the U. S. Grain Growers, Inc., is making a nation-wide appeal to the grain growers of the country to insist upon early investigation of the export grain trade by the Federal Trade Commission in order that the "real reasons for ruinous prices may be determined." Charges that the grain dealers in terminal markets, who are both buyers and exporters, are "smashing" wheat prices below the figure which world conditions of supply and demand would justify, are contained in a statement issued by the Grain Growers Dec. 12.

Live-Stock Industry of Argentina.

Representatives of the Argentine live-stock industry Dec. 12 considered measures to ameliorate the crisis in the industry, described as the most serious in its history. The situation is attributed to the slump in foreign demand for Argentine meat, depreciation in value of grazing lands and threatened loss of herds due to insufficient pasturage. (Buenos Aires dispatch to press, Dec. 13)

Packer Employees' Strike and Meat Prices.

The New York Times to-day states that rising meat prices, slight disorder and statements by packers and the strikers blaming each other for conditions marked the second day of the strike of 5,000 packing houses in the New York district yesterday.

Tariff in France on Spanish Fruits.

"The French frontier will be virtually closed to Spanish fruits next Saturday, when Spanish imports will be subjected to a general tariff, which is declared by importers to be prohibitive. Belief was expressed today in French official circles, however, that negotiations soon would be begun tending toward a more workable tariff arrangement between France and Sapin." (Assoc. Press, Dec. 9)

Texas Wheat Marketing

The Texas Wheat Growers' Association has been formed at Amarillo, Texas. It is necessary for 3,000,000 bushels of wheat to be under contract before the organization can be incorporated, and more than half that amount has been secured. (Press, Dec.14)

Transportation Legislation.

Appearing Dec. 13 in opposition to pending bills that would repeal the so-called rate-making section of the Transportation Act and so amend the statute as to prevent the Interstate Commerce Commission from exercising any jurisdiction over State rates found to be discriminatory against interstate commerce, Alfred P. Thom, general counsel of the Association of Railway Executives, urged the Senate Interstate Commerce Committee not to emasculate the act by taking away the power given by Congress for the protection of Interstate commerce. (Press, Dec. 14)

Wool

Directors of the American Woolen Company have voted to order the dissolution of the American Woolen Products Company, the exporting subsidiary formed in March, 1917, to afford a large outlet for the company's mills, thus permitting lower prices to domestic trade. Dissolution is believed in trade circles to indicate the woolen company's withdrawal from the foreign market. (Press, Dec. 14)

Section 3.

Department of Agriculture

1. The Journal of Commerce for Dec. 13 says in an editorial entitled "False Views of Agriculture": "It is evident from the opening pages of the annual report of the Secretary of Agriculture that that official is in close sympathy with many of the false doctrines now preached - and, unfortunately, practiced - in Congress, and often outside as well. No inconsiderable space in this document is devoted to the purpose of showing the importance of agriculture in our national economic life, a delineation of the evil days upon which our farmers have fallen of late and to the consequent necessity, or alleged necessity, of taking certain 'remedial' steps which smack of special favor.

"Secretary Wallace is, of course, quite correct in saying that agriculture is and will remain a very important branch of economic endeavor in this country. This is true, however, merely because that industry is inherently strong and fully capable in and of itself to hold such a position. It is not true that it needs subsidies and special favors of one sort or another, as the Secretary and a good many others seem to think. If it did, then it would not be worthy of the high place accorded it by its admirers and nothing would be gained by building it up at Government expense. There is a fundamental inconsistency in the position of these agrarians. Either our agriculture is of great importance in our economic life, as these writers and legislators claim, or it is not. If it is, then it should not and is not in need of special consideration. If it is not naturally a great asset no amount of special aid will make it so."

2. The Washington Post to-day says in an editorial entitled "The Farmers' Prospects": "A welcome air of optimism permeates the annual report of the Secretary of Agriculture. He is of opinion that good reason exists for believing that the worst of the farmers' plight is over and that 'from now on' gradual improvement may be expected. There is very little ground for doubting the accuracy of this prognostication, and every one hopes that it will be more than

realized. To the bringing about of the unsatisfactory agricultural conditions that have for so long prevailed many causes contributed. Foremost among them were the general unsettlement due to the aftermath of the world war, increased freight rates, the production of big crops at high cost, the failure of foreign markets to absorb the American surplus and unemployment in many manufacturing industries with its inevitable corollary of lessened power to buy foodstuffs. It surely is not unreasonable to hope that as these causes one by one disappear--as some of them are already beginning to do-- there will be a corresponding improvement in the condition of the tiller of the soil and that Secretary Wallace's vision of a new agricultural era will come to pass."

Section 4

MARKET QUOTATIONS.

Farm Products

Dec. 13: City potato markets nearly steady. Maine Green Mountains steady at $1.41 f.o.b. bulk per 100 lbs. Sacked Round Whites down 5c. at $1.65 to $1.70 f.o.b. western New York. A 2 1/2 Baldwin apples from cold storage $7 per bbl. f.o.b. western New York shipping points. Danish Type cabbage $42 per ton bulk f.o.b. Rochester shipping points.

Chicago wheat market narrow and lower; weakness in northwest and lower foreign markets partly responsible. Milling demand slow; flour sales small. Argentina wheat surplus estimated 112,000,000 to 129,000,000 bushels, excluding 24,000,000 bushels old crop. No export inquiry for corn. Chicago May wheat lower at $1.11 3/4; Chicago May corn lower at 52 3/4c. Closing prices in Chicago cash market: No. 2 red winter wheat $1.16; No. 2 hard winter wheat $1.10; No. 2 mixed corn 48c.; No. 3 white oats.[34] Average price to farmers in Central Iowa for No. 2 mixed corn about 33c.; to farmers in Central North Dakota for No. 1 dark northern wheat $1.02 3/4; to farmers in Central Kansas for No. 2 hard winter wheat 90c.

Chicago hog market higher, bulk of sales $6.80 to $7.15. Beef steers strong to 25c. higher; medium and good beef steers $6.65 to $10; butcher cows and heifers $3.25 to $8.75. Fat lambs and yearlings strong to 25c. higher; fat lambs $10.25 to $11.50.

Spot cotton lower at 16.96c. per lb. New York December futures also lower at 17.35c. (Prepared by Bur. of Mkts. & Crop Est.)

Industrials and Railroads

Dec. 13: Average closing price 20 industrials 80.69, as compared with 72.29 corresponding day 1920; average closing price 20 railroad stocks 74.21, as compared with 73.63. (Wall St. Jour., Dec. 14.)

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Vol. III, no. 63. Section 1. December 15, 1921.

Congressional Agricultural Commission's Report — A summary of part 1 of the report of the Joint Commission of Agricultural Inquiry Relative to the Causes of the Agricultural Crisis is made public to-day in form of a 16-page document. The commission makes recommendations to aid in relieving the existing situation in the agricultural sections of the country as follows: That the Federal Government affirmatively legalize the cooperative combination of farmers for the purpose of marketing, grading, sorting, processing or distributing their products. That the farmers' requirements for credit, corresponding to their turnover and having maturity of from six months to three years, which will enable payment to be made from the proceeds of the farm, be met by an adaptation of the present banking system of the country, which will enable it to furnish credit of this character. That there should be a warehousing system which will provide a uniform liability on the part of the warehousemen, and in which the moral and financial hazards are fully insured. To this end the commission recommends the extension of the existing Federal warehouse law and the passage by the several states of uniform laws regulating the liability of warehousemen and the services rendered by them. The commission believes there should be an extension of the statistical divisions of the Department of Agriculture, particularly along the lines of procurement of live-stock statistics; also that provision should be made by Congress for agricultural attachés in the principal foreign countries producing and consuming agricultural products. The commission recommends further: The development by trade associations and by state and Federal sanction of more accurate, uniform and practical grades of agricultural products and standards of containers for the same; that adequate Federal appropriations should be made for the promotion of better book and record keeping of the cost of production of farm products on the basis of the farm plant unit, as a basis for the development of more efficient methods of farm management; provision for an extended and coordinated program of a practical and scientific investigation through state and national departments of agriculture and through agricultural colleges and universities directed toward reducing the hazards of climate and weather conditions and of plant and animal diseases and insect pests; more adequate wholesale terminal facilities, particularly for handling perishables at primary markets and a more thorough organization of the agencies and facilities of distribution of the large consuming centers of the country.

Deficiency Bill — Adoption by the Senate Dec. 14 of the conference report on the first deficiency bill sent the measure to the President, the House having adopted the report earlier in the day. The House agreed to a Senate amendment appropriating $600,000 for the payment of indemnities for tubercular cattle slaughtered by direction of the Federal Government. The bill as agreed to carries approximately $103,000,000. (Press, Dec. 15)

Russian Relief — The House Foreign Affairs Committee Dec. 14 reported favorably a bill appropriating $20,000,000 for purchase of grain and other food products for distribution in the famine districts of Russia. (Press, Dec. 15)

Tariff Hearings on Wool — R. E. Taylor, of Carlsbad, N. M., asked the Senate Finance Committee Dec. 14 for a tariff duty of 33 cents per pound on mohair in place of the 25 cents carried by the Fordney bill as it passed the House. Protesting against the basic rate of 25 cents a pound on clean raw wool proposed by the Fordney bill, William Goldman, a New York clothing manufacturer, said it would mean "a tax of $250,000,000 on the annual clothing bill of the American people in order to protect the woll-growing industry with an annual output valued at $65,000,000." (Press, Dec. 15)

Rail Rates — Request for a six-months' suspension in the reductions recently ordered by the Interstate Commerce Commission on grain, grain products and hay in the trans-Mississippi territory was made by the railroads of the country and opposed by fifteen Western State Railroad Commissions, agricultural organizations and shippers in hearings Dec.14, before the Interstate Commerce Commission. Alfred P. Thom, general counsel for the Association of Railway Executives, in suggesting the suspension, asked the Commission to allow the carriers in the meantime to make effective a cut of 10 per cent in rates on all products of farm, range and orchard in all movements in the United States outside of New England. Clyde M. Reed, Chairman of the Kansas Utilities Commission, asserted that "so far as the Western farmer is concerned the 10 per cent 'voluntary' offer of the carriers is a delusion and a snare," and that the "manoeuvres of the carriers since October have principally been for the purpose of delay." Clifford Thorne, appearing in behalf of Western agricultural associations, said that prices of all commodities except railroad transportation had dropped materially in the last year, while this had increased. J. M. Benton, attorney for the State Commissions, asserted that the Commission had found the grain reductions reasonable and that accordingly it would not be legal to maintain higher rates.(Press, Dec. 15)

Packer Employees' Strike — The meat strike in the New York district took on a more serious aspect Dec. 14, when 6,500 union cutters and salesmen in retail shops served notice on their employers that they would refuse to handle the products of the "Big Five." (Press, Dec. 15.)

Railroad Situation "A pronounced and significant note of conservatism will be sounded to-day at the opening of the Interstate Commerce Commission's nation-wide survey of the railroad situation. Both sides in the intensely interesting economic controversy now about to be analyzed are prepared to make the strongest possible presentation of the case which will strike deeply into the roots of the whole industrial and labor question. Out of this inquiry those most interested expect to see developed with the helpful cooperation of the Government an upward movement in many lines of business to become marked by next spring or early summer. Lower costs, lower wages, lower rates in freight and passenger traffic are expected to flow from the inquiry." (Wash. Post, Dec. 14.)

Rail Wages The action of the United States Railroad Labor Board in Chicago Dec. 14, in setting up a schedule of ten hours a day at the regular hourly wage for common laborers in new rules replacing the national agreement made under Government control brought to union officials appeals for strike orders from representatives of 30,000 workers in the New York district. (Assoc. Press, Dec. 15.)

Section 3.

Department of Agriculture 1. The New York Times to-day says in an editorial: "All who are directly or indirectly interested in a sound national forestry policy and an efficient forestry service should at once ask what good reasons there are for the proposed transfer of the care of the forest reserves back to the Department of the Interior, from which it was transferred to the Department of Agriculture in 1905, after the notorious Ballinger affair. Doubtless the prompt reason given will be one of organizational advantage, but even on this ground it would seem that there would be a loss; for most of the bureaus upon whose cooperation and advice scientific forestry administration depends will still reside in the Department of Agriculture; such as the Bureau of Plant Industry, which has to do with diseases of trees and problems of forage production; the Bureau of Entomology, which studies injurious insects and tells how to combat them; the Bureau of Biological Survey, which has to do with wild life in the forests, and so on. The former U. S. Forester, Henry S. Graves, says, summarizing these associations: 'In a sense, the whole organization of the Department of Agriculture is participating in the work of the administration of the national forests.' The primary reason is that the forest, in the Department of Agriculture, is looked upon as a 'crop,' to be enriched in every way known to science, whereas in the Department of the Interior it is looked upon as a domain to be surveyed, recorded and disposed of. . . .

. . . Mr. Graves makes the unqualified statement that 'when the public forests were under the Interior Department the entire personnel was political and the administration notoriously inefficient.' To be put beside that authoritative statement is the known fact, which none can gainsay, that the Forest Service is free from politics in its present official environment, and has made marked progress. Let the public be told what the reasons for the proposed transfer are."

Section 4.
MARKET QUOTATIONS

Farm Products

Dec. 14. Wheat prices fluctuated within narrow range. Country offerings limited; demand slow; cash market easy. Corn had light trade and declined with wheat. Chicago May wheat lower at $1.11; Chicago May corn lower at 52 1/2 ¢. Closing prices in Chicago cash market: No. 2 red winter wheat $1.19; No. 2 hard winter wheat $1.09; No. 2 mixed corn 48¢; No. 3 white oats 34¢. Average price to farmers in Central Iowa for No. 2 mixed corn about 32¢; to farmers in Central North Dakota for No. 1 dark northern wheat $1.00 3/4; to farmers in Central Kansas for No. 2 hard winter wheat 90¢.

Chicago market higher, bulk of sales $6.90 to $7.25. Beef steers strong to 25¢ higher; butcher cows and heifers steady to 15¢ higher at $3.25 to $8.75. Medium and good beef steers $6.65 to $10. Best fat lambs and feeders generally steady; other lambs and sheep down 25¢. Fat lambs $10 to $11.50.

Potato haulings light; markets steady. Sacked Round Whites $1.65 to $1.70 per 100 lbs. f.o.b. western New York. Bulk Green Mountains mostly $1.41 at Maine points. Danish type cabbage $42 to $43 per ton bulk f.o.b. for medium size at western New York points. A 2 1/2 Baldwin apples from cold storage $7 per bbl. f.o.b. western New York. Main No. 1 Baldwins $6 to $7 per bbl. in Boston; $7 to $7.50 in Pittsburgh.

The hay markets have weakened because of increased receipts and a light holiday demand. Much of hay arriving is of poor quality and sells slowly. Feed markets strong account light offerings by flour mills.

Butter markets unsettled with tone weak. Storage butter movement heavy. Cheese markets firm but trading not active. Principal interest is in held cheese.

Spot cotton higher at 17.14¢ per lb. New York December future also advanced, closing at 17.70¢. (Prepared by Bur. of Mkts. & Crop Est.)

Industrials and Railroads

Dec. 14: Average closing price 20 industrials 81.04, as compared with 71.28 corresponding day 1920; average closing price 20 railroad stocks 74.08, as compared with 73.10. (Wall St. Jour., Dec. 15.)

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

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Vol. III, no. 64. Section 1. December 16, 1921.

Agricultural Relief Urged at Conference The bill providing for the establishment of the Federal loan bureau was explained at the opening session of the monetary conference called to Washington Dec. 15 by Senator Ladd, sponsor of the bill. Advancing his reasons for introducing the bill, Senator Ladd stated that the function of issuing money and distributing credit to the extent of giving all of the people on equal terms access to the productive facilities that all have created, should be resumed by the Federal Government. It was pointed out by the Senator that in the last few years, as a result of deflation of farm products, there has been a total loss of about $88,000,000,000 in all industrial classes and an equal reduction in purchasing power. (Press Dec. 16.)

Civil Efficiency Bill The House Dec. 15 passed and sent to the Senate the Lehlbach bill providing for reclassification of Federal employees in Washington as well as employees of the District of Columbia government. As the bill now goes to the Senate, it reclassifies government workers into seven grades or services with a range of salaries within grades. It provides for advancement within grades, with provision for an efficiency rating of employees under heads of departments subject to review by the Bureau of the Budget. As the bill finally was approved by the House, it carries a reduction of about 10 per cent in the salary schedules originally reported to the House by the committee on reform in the civil service. It is estimated also that the bill carries an increase of about 1½ per cent over present salary schedules. (Press Dec.16.)

Agricultural Financing Federal land banks would be authorized under a bill introduced Dec. 15 by Chairman McFadden, of the House Banking Committee, to establish a syndicate to market their securities. The measure would sanction creation of a Federal farm loan investment company on application of seven or more of the twelve farm land banks, among whom the corporation's capital, to range between $500,000 and $1,000,000, would be prorated. (Press, Dec. 16.)

Dairy Congress Postponement until 1923 of the world dairy congress, authorized by Congress to be held in 1922, was proposed in a bill introduced Dec. 15 by Representative Browne.(Press,Dec.16.)

Flour Tariff — A duty of $1.62 a barrel on flour, which he and senators agreed would amount to an embargo, was asked of the Senate Finance Committee, Dec. 16, by A. P. Husband, of Chicago, representing the Millers National Federation. (Press, Dec. 16.)

Russian Relations — The President of the United States would be authorized to send a commission to Russia to invite a Russian commission to the United States, to hold informal conversations with the de facto government of Russia for the purpose of arriving at a basis of understanding between the United States and Russia, under a resolution introduced by Senator France Dec. 15. (Press, Dec. 16.)

Section 2.

Agricultural Relief — Basing an editorial on the recently issued report of the Congressional Joint Commission of Agricultural Inquiry, The New York Times to-day says: "The very same newspapers in which the commission's recommendations appear publish a report of the organization of 80,000 farmers in six States for the better marketing of their milk. Another item of yesterday's news was the organization of 55,000 growers of burley tobacco in twenty-two districts. It is described as the largest cooperative marketing organization in the country, controlling 200,000,000 pounds of tobacco. In the organ of the American Farm Bureau Federation appears the statement that 100,000 planters have signed contracts with each other for five years, and that this year $50,000,000 of cotton will be sold through this agency. Who ever heard of the prosecution, or still less of the 'busting' of a farmers' trust? By all means the farmers should combine in a reasonable, lawful manner, and on no account should they get laws deluding them into the belief that the country would tolerate unreasonable conspiracies of farmers for unlawful purposes. There should be no Clayton law for farmers, or for any other class of citizens. The commission is on firm ground when it recommends better credit facilities for farmers. Banks of discount and deposit are not adapted for the accommodation of any trade which requires a year for a turnover . . ."

Canal Zone Farm Land — "The Governor of the Canal Zone announces that certain lands in the zone are now available for agricultural purposes. These will be assigned to applicants under revocable licenses, the Government reserving the right to use them if needed." (N.Y. Times, Dec. 16.)

Corn as Fuel — "Corn is being used for fuel by farmers of this part of the State, as it is claimed to be cheaper than coal at the present price, and is a saving in hauling. . . . Many have asserted that they have no intention of burning coal this winter and that they are well satisfied with burning corn for fuel." (Chamberlain, S. D., dispatch to Commercial West, Dec. 10.)

Cotton Estimate

The Wall Street Journal Dec. 14 says in an editorial: "An error of nearly 5,000,000 acres in the July estimate of the area planted to cotton has thrown all calculations of the crop into confusion . . . . The sharp decline in the last ginning return of the Bureau of Census would indicate that the official estimate of Monday is a maximum figure. Taking that, therefore, and the Hester estimate of the world carryover of American cotton on Aug. 1, the total supply of lint would be no more than 17,140,000 bales, of all grades and classes. This, of course, includes port and mill stocks in Europe . . . . If no more than the estimated 12,300,000 bales are consumed, and all the world supply is spinnable cotton, the world surplus on Aug. 1, 1922, would be only 4,840,000 bales. We have escaped a cotton famine this season, but a crop of more than 13,000,000 bales will be necessary to supply the world next year and leave a reasonable surplus. . . . . The world's spindles are fed largely on fiber grown in the United States, and the query is, Where will they find cotton a year hence?"

Farm Credits

"Not all the troubles of the farmer to-day are due to lack of credit or inadequate banking facilities. Many farmers are now suffering because they have in recent years not only taken all the credit to which they were entitled, but often-times much more. Their plight to-day can be charged up to their own lack of business judgment and also to the laxity on the part of some bankers in extending credits." (Commercial West, Dec. 10.)

Farm Machinery Prices

"The agricultural implement and machinery trade is thoroughly depressed. Its prospect for recovery is even less hopeful than that for industrial equipment. Sales of agricultural equipment in 1921 are estimated at from 30 to 35 per cent of those in 1920." (Standard Daily Trade Service, Dec. 14.)

Grain Marketing

A new membership record was made last week by the U. S. Grain Growers, Inc., when 2,088 grain growers signed contracts with the farmers' company, breaking the record week of 1,905 members, reported two weeks ago, and pushing the national total to 29,560. Affiliation of 20 farmers' elevators and grain growers associations during the week brought the national total to 787, according to the recapitulation of organization progress released by the Grain Growers Dec. 12.

Milk Production

Milk producers in Northumberland Co., Pa., are receiving $3 for 100 pounds of milk that costs them from $3.40 to $4.33 to produce, it was learned by more than 500 farmers who attended the second annual meeting of the Northumberland County Farm Bureau Association at Sunbury, Dec. 15. (Press, Dec. 16.)

Packer Employees' Strike

Declaring that striking packing house workers are standing firm against what they term an "arbitrary reduction of wages," and denying statements by the "Big Five" packers that operations in Chicago are nearly normal, strike leaders, in a statment Dec. 15 asserted that if the strike is to be a contest of endurance, it will run for months, and guerrilla warfare, if that term can be used, can be expected in every packing house center throughout the country. The statement was given to Secretary of Labor Davis over the signature of C. J. Hayes, president, and Dennis Lane, secretary of the Amalgamated Meat Cutters and Butcher Workmen of North America. (Assoc. Press.)

Section 3.

Department of Agriculture

1. The Journal of Commerce, Dec. 15 publishes a London dispatch which says: "The Manchester Guardian, referring to the official explanation of the American Department of Agriculture that a cut in the travel appropriation of its field statisticians was responsible for the discrepancies in its cotton acreage estimates, says: 'A more amazing statement was surely never made by the government of a great country. For the sake of saving a mere bagatelle, compared with the interests involved, the bureau has had to put up with acreage estimates which from the very nature of the case were bound to be suspected. Clearly it cannot permit a repetition of this in future years. If the Government will not pay for the work being done properly they had better leave it alone.'"

Department of Agriculture

2. A group of expressions of members of the New York Cotton Exchange upon the Government cotton crop report are given in Journal of Commerce for Dec. 15. One says in part: "We had suspected for some time that the original Government estimate was incorrect. Our agents in all parts of the cotton belt kept us informed and their reports indicated at least 750,000 bales more than the figures of the crop reporting bureau. At the same time, Government crop reports usually are so reliable that we were reluctant to accept our own figures as conclusive. Now that the Government estimate has been shown to be approximately 1,800,000 bales off, we can come only to one conclusion; that is that politics and southern propaganda influenced the original estimate." Another statment said: "There is no question but that the Government has lost prestige. The crop estimates of private firms will be scanned more closely next year, while figures from the Bureau of Crop Estimates will be taken with a grain of salt."

Department of Agriculture

3... An editorial in National Poultry Butter and Egg Bulletin for December, entitled "A 'Bust' by the Bureau of Markets," says: "If anything is worth doing, it is worth doing well. If it cannot be done well, it would be better left undone. The 'bust' made by the Bureau of Markets in its preliminary report of Nov. 1 showing 862,000 more cases of eggs in cold storage in 1921 than for the corresponding date in 1920, while as a matter of fact there were only 549,000 cases more, was one that caused innumerable holders great money losses and at the same time has brought all dealers into public disrepute. No means are available for these holders to recoup their money losses (sustained on this account) and so far as the dealers are concerned, they must continue to take all the abuse that a sensational press and political small job holders can heap upon them. . . . The Bureau of Markets is ever seeking to enlarge the scope of its activities, as for instance, the licensing of dealers under a 'voluntary' registration plan. Before enlarging to any degree it must be told in the language of the champion prize fighter, 'Go out and make a record first.'"

Section 4.

MARKET QUOTATIONS

Farm Products

Dec. 15: Wheat trade small; export demand fair with sales of around 500,000 bushels reported. Chicago May wheat closed higher at $1.12 3/4 influenced by strength in Winnipeg and Liverpool. Corn trade narrow; country offerings to arrive light; domestic demand inactive; export sales small. Chicago May wheat higher at 53¢. Closing prices in Chicago cash market: No. 2 red winter wheat $1.16; No. 2 hard winter wheat $1.10; No. 2 mixed corn 48¢; No. 3 white oats 34¢. Average price to farmers in Central Iowa for No. 2 mixed corn about 32 1/2¢; to farmers in Central North Dakota for No. 1 dark northern wheat $1; to farmers in Central Kansas for No. 2 hard winter wheat 88¢.

Chicago hog market lower, bulk of sales $6.80 to $7.10. Beef steers mostly 25¢ lower; medium and good beef steers $6.50 to $10; butcher cows and heifers $3.25 to $8.75. Fat lambs generally 50¢ to 75¢ lower at $8.50 to $11.25.

Potato shipping points and city markets dull and steady. shipments about 400 cars daily. Danish type cabbage $42 to $43 per ton bulk for medium sizes f.o.b. western New York shipping points. Sacked yellow Globe onions $5.25 per 100 lbs. f.o.b. Massachusetts points. Extra Fancy Winesap apples $2.15 per box f.o.b. Wenatchee District.

Butter markets weak, except at Chicago. Cheese markets firmer and higher but trading not active.

Hay markets continue weak. Prices lower in several markets. Much of hay arriving is of poor quality. Feed markets strong. Eastern inquiry only fair; prices steady.

Spot cotton higher at 17.15¢ per lb. New York December future also higher at 17.73¢. (Prepared by Bur. of Mkts. & Crop Est.)

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Vol. III, no. 65. Section 1. December 17, 1921.

Live-Stock Exchanges Oppose U. S. Control

A St. Paul dispatch to the Philadelphia Public Ledger, Dec. 17, says: "It is apparent organized live-stock exchanges of the Middle West are not going to submit willingly to Government control. This is the opinion gained by local men who attended conferences at Kansas City and Chicago called to discuss the tentative rules and regulations prepared. At Kansas City members of the Live-stock Exchange virtually took no part in the proceedings. At Chicago the exchange representatives intimated that they proposed to test the constitutionality of the Haugen Act, which places their business under Federal control. The Denver Exchange went further by announcing it did not propose to accept Federal supervision. The exchange men have gained some encouragement from a ruling of the Federal Court of Appeals just handed down denying that the Federal Government had wartime authority over the exchange members. The St. Paul market is particularly interested in that the State is now exercising control over the local trade, the only market in the country which is under State control"

Packers' Power

The "Big Five" packers by use of their South American product are able to "manipulate and control" the American meat market, George W. Armstrong, a cattle raiser of Fort Worth, Tex., testified, Dec. 16, before the Senate Finance Committee, in urging a duty "to cover all the products of the steer, beef, hides and live skin." Mr. Armstrong said: "I am not unfriendly to the packers. They are no worse than any other men. I do say, however, that the power to manipulate the market is too much power for them to have. They control the packing plants of the world, particularly in South America, and I think the Government will have to go further than the tariff to meet the situation." (Press, Dec. 17.)

Rail Rates

Reduced rates on grain, grain products and hay in trans-Mississippi territory which the carriers recently sought to have suspended for six months, were sustained by the Interstate Commerce Commission, Dec. 16, and will go into effect Dec. 27. The reductions average about 16½ per cent of the 1920 grain rates and are further decreased by the commission's order, which requires that corn and other coarse grains be carried for 10 per cent less than wheat and other breadstuffs grains. (Press, Dec. 17.)

Rail Rates and Earnings

An editorial in the New York Times Dec. 17 says: "The Interstate Commerce Commission Dec. 6 denied the railways' plea for delay in enforcing the commission's order for a reduction of 16 2/3 per cent in rates on certain agricultural products in trans-Mississippi territory, or for a smaller reduction on a longer list of similar products throughout the United States, except New England. On the same day was published testimony before the commission that the net earnings of the railways had fallen from $1,040,085,517 in 1916 to $21,661,782 in 1920. The farmers seem to have carried the Interstate Commission with them on a similar novel theory regarding the regulation of rates, in disregard of the condition of the carriers. The country has traveled a long and crooked road since the commission was established, and the end is not yet in sight."

Section 2.

Agricultural Financing

The War Finance Corporation announces that, from December 10 to December 14, inclusive, it approved 182 advances, aggregating $6,848,000 for agriculture and live stock in Western and Southern states. (W. F. C. press statement, Dec. 15.)

Agricultural Tariff Rates

In a lengthy editorial entitled "Agricultural Duties" The Journal of Commerce for Dec. 15 says in part: "High tariff rates for live stock, long staple cotton and other farm products are being urged before the Senate Finance Committee. Demand for the change comes in part from growers, in part from those who are professionally active in behalf of the farmer and who therefore want to make a showing of activity. Wherever it comes from, it is due to lack of consideration of the facts in the case and desire to seem to aid a bad situation by methods which in themselves are erroneous. . . . . There is no justification of the proposed revision on duties on foodstuffs or raw materials. They hurt every class in the community, do no good to the farmer and interfere with trade . . . . . There can be no national basis for any such legislation, and nothing but harm to the consumer and the manufacturer."

Cattle Financing Pool Dissolved

The pool of bankers which organized during midsummer to establish a fund of $50,000,000, if necessary, to aid in saving the cattle industry of the country has been dissolved. Only about $20,000,000 of the $50,000,000 offered was utilized. On such advances as have been made, banks which make a specialty of this class of paper found they could handle the business without calling on the pool for assistance. (N. Y. Times, Dec. 16)

Egg "Futures"

Hearing on an injunction to restrain the Chicago Mercantile Exchange from dealing in "futures" on the egg market was set for Dec. 21 by Judge Rush, according to the press of Dec. 16. "The exchange sells more eggs in forty-five minutes than all the hens could lay in a year," said Ray E. Lane, attorney for the Chicago High-Cost-of Living Committee, on whose investigation the injunction was based.

Packer Employees' Strike

Maintaining that they are seeking not an increase in wages but the right of collective bargaining, the striking packing house workers appealed Dec. 16 for arbitration. In a letter to the Secretary of Labor, the Amalgamated Association of Meat Cutters and Butcher Workmen agreed to present their case to an impartial board by the secretary. (N.Y. Times, Dec. 17)

Rail Rates

Business men of the country believe it is in the public interest for the Federal Government to establish uniformity in railroad rate making through the Interstate Commerce Commission, E. R. Johnson, professor of transportation and commerce, of the University of Pennsylvania, as representative of the Chamber of Commerce of the United States, declared before the Senate Interstate Commerce Committee, Dec. 15, in opposition to the Capper bill to amend the transportation act. (Press, Dec. 16)

Section 3.

Department of Agriculture

1. The Journal of Commerce for Dec. 15 bases a second lengthy editorial upon the annual report of Secretary Wallace. This says in part: "Many recent writers and speakers seem strangely to have overlooked the fact that farming, in so far as it is of economic importance to the nation, is a business undertaking and that as such it is of necessity subject to economic law in much the same manner that other enterprises are. Some such oversight as this seems to pervade much of the recent annual report of the Secretary of Agriculture. This particular document, however, though perhaps the most conspicuous recent example of such muddled thinking, is by no means alone in this respect . . . . The complaint in its most recent version is not altogether dissimilar from that of Mr. Gompers and other leaders of labor. It usually runs about as follows: The farmer constantly urged by all to produce to the uttermost in order to feed a hungry world responded with very large crops. The nature of his operations are such that it was impossible for him promptly to adjust his output to meet changed conditions or the promise of a new situation. The result was that for a year he has found himself in the possession of huge quantities of high cost goods for which there was relatively little demand . . . The farmer is not suffering nearly so much from overproduction as he is from unduly high costs. If he uses bad judgment in greatly enlarging his output at excessive expense, effort on his part - even though aided by Government credit - to hoard his produce and to force prices up is not likely to prove of benefit either to him or to the country at large. . . . Any reasonable and effective endeavor of the Government to educate the farmer, to teach him better business methods and to induce him to accept them is fully justifiable. . . Most of the special favors now proposed, however, whether it be easy credit, ill-conceived 'protective' measures or unduly low transportation rates, are sure in the long run to injure rather than aid him and the nation. . . . . "

2. "A Better Day is Coming: Secretary Wallace in his Annual report Points to Light Ahead" is the title of a review of Secretary Wallace's annual report in American Agriculturist, Dec. 17. This says in part: "A note of optimism over the future outlook of American agriculture in spite of the present serious plight of the farmers of this country was sounded by the Secretary of Agriculture in his annual report to the President last week. The worst period, he believes, is over, and a gradual improvement from now on may be looked for, with the beginning of a new agricultural era as the outcome of the present distressing times."

3. The Journal of Commerce, Dec. 16, says, in an article entitled "Cotton Men Lose Faith in Gov't Figures,": "The longer the cotton trade ponders over the Government's extraordinary blunder in estimating the present cotton crop, the more indignant it becomes at the 'gullibility' of the Government's expert crop-estimating officials. While it has long been expected that the best of estimates would be more or less wide of the final facts, no one had ever imagined that the Government, with all its facilities for direct observation, would in the span of three or four weeks correct a 'discrepancy' to the tune of almost 30 per cent, and no amount of 'passing the buck' by ingenious explanations based on 'extravagant propaganda', depleted travel appropriation, etc., seems to satisfy experienced observers of the cotton trade. Of one thing all are agreed; that Uncle Sam has seriously lost caste as a prophet of crops, whether the error was the result of carelessness or of something less tolerable. The cotton trade is generally willing to attribute the blunder of the Government crop reports indicating a yield for 1920-21 about 1,800,000 bales below actual figures, to the 'intense campaign of extravagant propaganda,' carried on by organizations in the South last season. There is less disposition to charge the bureau with dishonesty than to criticize it for allowing the propaganda to affect the Government reports without some warning; while not a few responsible authorities believe that much of the misrepresentation was deliberately put out for the purpose of 'rigging the market.' . . . . ".

4. An editorial in the Journal of Commerce Dec. 16, entitled "A Serious Injustice," says in part: "Facts now available in unmistakable form show that during the past year the Department of Agriculture inflicted a very serious injustice upon the population of the United States. This injustice consisted in the publication as authoritative returns of figures alleged to show the probable production of cotton, but which, as the Government itself now admits, were nearly 30 per cent below the actual yield. Let it be understood that the harm in this situation did not lie in the mere making of mistakes. It lay in the fact that the erroneous figures were put forward as if they were as authoritative as ever, notwithstanding that Congress had, as alleged, cut off the appropriations . . . . It took these figures 'second hand,' as is now frankly conceded, but it said nothing concerning this defective character of the

statistics, notwithstanding that great changes in the price of cotton were taking place due to the belief that the department was as careful as ever. . . . The lamentable fact seems to be that there was a widespread conspiracy of untruth and deception, whose object it was to mislead the Government and the public into the idea that cotton was almost wiped out. The purpose of this conspiracy was to 'boost' prices, and it was shared by newspapers in various parts of the country, by planters and by 'cotton associations.'. . . . Did some cotton legislators also share in this kind of propaganda? Did they withhold appropriations in order to cripple the Department of Agriculture?. . . If Congress maintains such a service in the Department of Agriculture it should spend whatever is necessary to make the reports what they pretend to be . . . ."

Section 4.

MARKET QUOTATIONS

Farm Products

Dec. 16: Wheat prices kept within narrow limits with prices firm. Kansas state crop report 128,000,000 bushels, or 10,000,000 bushels more than Government August estimate. Corn narrow and firm with wheat. Chicago May wheat unchanged at $1.12 3/4; Chicago May corn unchanged at 53¢. Closing prices in Chicago cash market: No. 2 red winter wheat $1.15, No. 2 hard winter wheat $1.10; No. 2 mixed corn 48¢; No. 2 yellow corn 49¢; No. 3 White oats 35¢. Average price to farmers in Central Iowa for No. 2 mixed corn about 32¢; to farmers in Central North Dakota for No. 1 dark northern wheat $1.02½¢ to farmers in Central Kansas for No. 2 hard winter wheat 88¢.

Chicago hog market lower, bulk of sales $6.60 to $6.85. Beef steers, fat cows and heifers, stockers and feeders dull and mostly 25¢ lower: Medium and good beef steers $6.25 to $9.60; butcher cows and heifers $3.25 to $8.50. Fat lambs down 25¢ at $9.25 to $10.50.

Potato markets dull and steady. Sacked Round Whites $1.65 per 100 lbs. f.o.b. western New York. Bulk Green Mountains $1.36 to $1.41 f.o.b. Maine points. A 2½ Baldwins apples from cold storage $7 per bbl. f.o.b. western New York shipping points. Danish type cabbage bulk per ton $40 to $45 f.o.b. Wisconsin points; $42 for medium size Rochester, N. Y. shipping points.

Butter markets barely steady. Cheese markets firmer and higher but trading not active.

Hay markets barely steady; demand limited; receipts not large but equal to demand in most markets. Wheat mill feed situation slightly easier. More feed arriving upon market and demand less urgent. Winter wheat bran strong at Kansas City because of shutting down of western mills.

Spot cotton up 22 points at 17.37¢ per lb. New York December future up 27 points at 18¢ per lb. (Prepared by Bur. of Mkts. & Crop Est.)

Industrials and Railroads

Dec. 16: Average closing price 20 industrials 80.95, as compared with 70.26 corresponding day 1920; average closing price 20 railroad stocks 74.38, as compared with 72.53. (Wall St. Jour., Dec. 17.)

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Vol. III, no. 66. Section 1. December 19, 1921.

Russian Relief Legislation — The House Dec. 17 passed a bill authorizing the President to expend $20,000,000 out of the fund of the United States Grain Corporation for relief of the famishing people of Russia. (Press, Dec. 18.)

Rail Rates — The Interstate Commerce Commission Dec. 17, on completion of preliminary statistical arguments by the railroads against any rate reductions, adjourned its investigation into the reasonableness of transportation rates at present levels until January 9. A. P. Thom of the Association of Railway Executives, gave notice that R. H. Aishton, president of the American Railway Association, would then be called to give testimony as to the efficiency and economy of current carrier operation. Representatives of shippers and state and municipal experts will also be given an opportunity to cross-examine witnesses. (Press, Dec. 18.)

Grain Marketing — Immediate revival of the U. S. Grain Corporation and the pooled buying of wheat by the Government for an established price is being sought by the Farmers' National Council, according to a statement Dec. 17. (Press, Dec. 18.)

Tariff on Silk — Silk manufacturers in the United States received a tariff protection of $200,000,000 in 1919, which, translated into prices in the retail stores, amounted to a tax of $400,000,000 on the consuming public, H. E. Miles, of Racine, Wis., chairman of the Fair Traffic League, declared Dec. 17 before the Senate Finance Committee. (Press, Dec. 18.)

Fertilizer Men to Unite — A merger of more than a score of fertilizer plants, chiefly in the South, involving millions of dollars, into one big organization with headquarters in Baltimore is in process of consummation, according to The Atlanta Constitution. The project is said to have, among other objects, that of obtaining maximum efficiency in operating costs so as to lower the price of fertilizer. Plants which, it is understood, will be affected are located in Atlanta, Baltimore, Charleston, S. C., Columbus, Ohio, Louisville, Nashville, Savannah and other cities. (Press, Dec. 18.)

Section 2.

Agricultural Bloc

"What is wrong with the agricultural bloc? One would think from the tone of newspaper editorials and the speeches of administration leaders that the very foundations of our Government were shaken by the existence of a group of men who quite frankly put the interest of a class--the farmers--above party regularity. To our mind this is a step forward as regards both reality and honesty in politics. Special interests have always been represented at Washington, but their agents usually lobby in secret and bring pressure to bear in party caucuses rather than openly on the floor of Congress. Farmers may well have more in common as farmers than because they happen to be Republicans or Democrats. The bloc is human and probably narrow in its viewpoint, but it is leading the way toward occupational representation in legislation." (The Nation, Dec. 21.)

Agricultural Methods

"A Farmers' Strike?" is the title of an article in The Nation for Dec. 21 which reviews the sentiment toward the production of farm products without profit and the means suggested by various agencies to combat the condition. The article says in part:"Several remedies for this situation have been suggested. The first is the advice of the old school to let 'economic law' take its course . . . . . President Harding, in his address to Congress, has come forward with a second proposal to assist the farmers. In glowing terms he advocates cooperative marketing . . . . Another proposal is more novel. It is for a farmers' strike, at least among the corn growers of the Central West. This suggestion originated with Wallaces' Farmer . . . . The idea is indorsed by other conservative farm journals . . . . It is proposed to reduce acreage in the corn belt by at least 25 per cent. According to Wallaces' Farmer business men and bankers will be asked to assist the plan by bringing'economic pressure' on recalcitrant growers. Put more bluntly they will be asked to stop credit to those who do not reduce their acreage. . . ."

Corn as Fuel

"It is evident that thousands of tons of ear corn will be burned as fuel in parts of the West. At present prices this corn will be cheaper than coal. It seems a sin to use this food as fuel, but under the present system of distribution it can hardly be avoided. Some of our readers will do well to remember this: Every ton of ear corn burned in this way will leave about 12 lbs. of potash, 8 lbs. of phosphoric acid and considerable lime in the ashes. In every Western community there are men with small holdings--gardeners or fruit growers--and most of them must use manure or fertilizers. They could not possibly obtain any fertilizer better for their special needs than the ashes from this fuel corn. They can make a good profit by securing every pound of such ashes they can find. In many localities such corn ash will have a value that will justify collecting it for sale." (Rural New Yorker, Dec. 17.)

Farmers and Rail Rates

An editorial in The Journal of Commerce for Dec. 17 says: "Agreement was reached some weeks ago among railway executives upon a 10 per cent reduction of charges upon all agricultural commodities in all sections save New England, such reduced rates to be effective as soon as possible and to remain in force for a trial period of six months. In view of this concession, the Interstate Commerce Commission was to be asked--and it was generally understood it would comply with the request--to rescind or at least postpone the previous order directing a 20 per cent reduction on hay, grain and grain products west of the Mississippi. It is the consummation of this general program that is now refused by the commission . . . Here is a situation fraught with danger to the Nation. Every one who has taken the trouble to inform himself knows full well that neither the 10 per cent nor the 20 per cent cut in rates is justified by the earning position of the roads . . . What the farmers should interest themselves chiefly in--and they could not do better than to let it be known to their 'bloc'--is the attitude of railroad labor . . ."

Fur Marketing

1. "To combat propaganda in circulation among skin collectors to the effect that the fur manufacturing trade will absorb the incoming catch at top prices if sellers hold on to their goods, the Associated Fur Manufacturers, Inc., will shortly hold a second meeting of its membership on the skin price question, it is announced by S. N. Samuels, president." (N. Y. Daily News Record, Dec. 14.)

2. A plan is being worked out by P. B. Fouke, president of the Fouke Fur Company, of St. Louis, for a reorganization of the International Fur Exchange. His plan provides that all debts of the exchange will be paid, and it would resume business with ample working capital. (Press, Dec. 15.)

Price Legislation

Referring to Representative Sinclair's bill before Congress for the stabilization of agricultural prices, The Wall Street Journal, Dec. 17, says: "What this fatuous legislator does not see is that the Government would be forced to handle not only the present exportable surplus thrown upon its hands but all the wheat, corn, cotton and wool other countries chose to import into America, so long as our fixed price showed them a profit. The United States Government would be in a position of holding the bag for Canadian and even Indian wheat, Argentine corn, Australian wool and even New Zealand mutton. It would have to find, out of the taxpayer's pocket, the difference between the world price for wheat, corn, cotton or wool and the statutory price. It would lose heavily and constantly wherever the market was against it and it would take nothing if the market price went above the statutory figure."

Section 3.

Department of Agriculture

1. The Rural New Yorker for Dec. 17 bases an editorial on the following quotation from Secretary Wallace's annual report: "The farmer receives his money wages in the form of payment for his crops and live stock . . . . The consuming public pays, but it makes no agreement as to the amount it will pay. The farmer is urged to produce abundantly, but the price paid him for what he producesis set after the amount of his production is known. The buyers drive the shrewdest possible bargain . . . Thus we have large production penalized. Very often--indeed, it is the general rule--a large crop brings the farmer fewer total dollars than a small crop."

Commenting upon this statement, the editorial says: "That is taken from the annual report of Henry Wallace, United States Secretary of Agriculture. It is true; no one can dispute it, yet for years the average worker in town and city has paid no attention to the facts. The general idea has been that the farmer is a patient beast of burden who may grumble a little, yet will continue to produce so that the world may be fed and clothed. That idea causes the death of business. We now realize that a small crop nets more to the farmer than a large crop. The only benefit from a large crop goes to the handlers under our present system of distribution. At any rate the present Administration realizes the situation, and the advertising it is getting will help. We can easily remember when anyone who made such a public statement as Mr. Wallace makes would have been called an anarchist."

2. "Weather Bureau a Real Aid" is the title of an editorial in New York Commercial for Dec. 16, which says: "The importance of the Weather Bureau as a factor in the life of the people is so little recognized that its work frequently is regarded more in the light of a jest. But this bureau really performs a great service; how great a service is seen in the unbroken call for data and certification of facts concerning storm and rain insurance, for reports on the influence of weather on the public highways, for extensions of its various services in reporting frosts, cold waves and hurricanes. It must be recognized that the weather service and its advice result in direct economic benefit in the saving of lives, property--especially foodstuffs--to the Nation . . . . "

3. "That the present Secretary of Agriculture has a grasp on some of the more important problems facing this Nation is indicated by his appointment of a committee to consider the subject of land utilization, especially with reference to the future requirements of this country." (Farm Implement News, Dec. 8.)

4. The leading editorial in to-day's Wall Street Journal says: "There is no question that the members of Mr. Harding's Cabinet were, so far as more than one Government department is concerned, the inheritors of a bad tradition. . . . . Secretary Wallace of the Department of Agriculture, like any other Secretary in the first year of his service, is more or less at the mercy of the heads of bureaus. It is obvious, now, that some person in authority in the Department of Agriculture believed that he was making himself solid with the farmers and the politicians by circulating partial information calculated to help a bull movement in cotton, and even to bolster up the misguided farmers' bull pool in wheat which came so badly to grief early in the current year. The recent error in calculating cotton acreage requires much more official explanation than it has received. At the same time the publication by the Bureau of Domestic and Foreign Commerce of a cabled estimate from South America that the Brazilian cotton crop would be 1,600,000 bales of 500 pounds a bale has not escaped criticism.. . . . .

The Department of Agriculture should, and indeed does, help the farmers. But it should not be run by the farmers. The Department of Labor should not, as it has so often done in the past, manipulate its figures to suit the labor unions. Its sympathies should never color the facts, and it should remember that it represents, not unionized labor, but all labor--a sevenfold larger proposition. The Bureau of Domestic and Foreign Commerce must give business the facts and trust to business men to realize its 'ideals' if it has, or needs, any. But President Harding should imitate General Dawes in a drastic housecleaning. At the risk of making departments unpopular he must teach them the necessity for common truthfulness. If the people are not to get that, it would be much better to abolish the departments altogether."

5. New York Commercial for Dec. 16 says in an editorial: "Various explanations are being offered by the Bureau of Crop Estimates of the Department of Agriculture for the serious error in its cotton crop estimates for the current year. The Government's figures have heretofore been so uniformly reliable that a discrepancy such as has occurred this year is all the more amazing. A search for the cause of the error by which the Government underestimated the crop by 1,800,000 bales leads to a rather interesting study. In part it was due to the penny-wise-pound-foolish attitude of Congress in cutting down the appropriation for the Department of Agriculture which made it impossible for the field statisticians to leave their desks and check up the reports voluntarily sent in to the Government. This, however, has since been remedied, but the new appropriation was not available in time. . . . The error seems to have been a blessing in disguise, in that it advanced the price of cotton long enough to liquidate frozen loans in the South and start business going again."

Section 4.

MARKET QUOTATIONS

Farm Products

Grain prices trended downward during the week ended Dec. 17 on lack of support and inactive demand. There was a better undertone on the 15th and 16th influenced by higher foreign markets and Kansas State wheat crop report but the market closed off on week-end evening up. Milling demand slow at Chicago; slightly improved at Minneapolis. Country roads almost impassable account rain and snow and corn offerings to arrive small; export corn demand slow.

Potato markets slow and dull. New York Round Whites steady in eastern cities at $2 to $2.15. Shipping points down 10¢ at $1.65 per 100 lbs. sacked. Cabbage markets in Philadelphia and Cincinnati made big gains during the week; most other markets weaker. Apple markets show little change.

Hay market barely steady; demand limited; receipts not large but equal to demand in most markets. Only slight price changes. Wheat mill feed situation slightly easier. More feed arriving upon market and demand less urgent.

The butter markets were unsettled with immediate supply and demand conditions the principal influencing factors. Dealers lack confidence in trading. Imports included 1,550 packages from Denmark, a small shipment from Ireland, and 3,600 boxes from Argentina. Cheese markets show usual quietness of holiday season. Trading not active but prices fairly well maintained.

Chicago hog prices dropped 25¢ to 65¢ per 100 lbs. Beef steers down 25¢ to 75¢, and in some instances as much as $1. Butcher cows and heifers down 10¢ to 25¢. Feeder steers up 25¢ to 40¢. Fat lambs lost $1 to $1.25; fat ewes 75¢; yearlings 25¢ to 75¢. Feeding lambs up 50¢.

Spot cotton prices advanced 42 points; New York December future up 54 points.

Dec. 17: Wheat prices strong early on good export business but reacted later on week-end evening up. Corn narrow and reacted with wheat. Chicago May wheat lower at $1.12½; Chicago May corn lower at 52¾¢. Closing prices in Chicago cash market: No. 2 red winter wheat $1.15; No. 2 hard winter wheat $1.09; No. 2 mixed corn 48¢; No. 3 white oats 35¢. Average price to farmers in Central Iowa for No. 2 mixed corn about 32¢; to farmers in Central North Dakota for No. 1 dark northern wheat $1.03¼; to farmers in Central Kansas for No. 2 hard winter wheat 88¢.

Chicago hog market weak, bulk of sales $6.50 to $7.00. Cattle and sheep prices practically unchanged: Medium and good beef steers $6.25 to $9.60; butcher cows and heifers $3.25 to $8.50; light and medium weight veal calves $6.50 to $10; fat lambs $9.25 to $10.50; feeding lambs $8.75 to $10. --Potato markets dull and steady. Bulk Maine Green Mountains $1.36 to $1.41 f.o.b. per 100 lbs. Sacked New York Round Whites $1.65 f.o.b. A 2½ Baldwin apples from cold storage $7 per bbl. f.o.b. western New York shipping point.

Spot cotton up 36 points closing at 17.73¢ per lb. New York December future up 45 points at 18.45¢. (Prepared by Bur. of Mkts. & Crop Est.)

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

Vol. III, no. 67. Section 1. December 20, 1921.

Agricultural Crisis Declared Worst in American History by Secretary Wallace

The Associated Press to-day quotes Secretary Wallace as stating in an address, Dec. 19, before the Boston Chamber of Commerce, that the United States is passing through the most severe agricultural depression of its history. Asserting that prices of major farm crops were lower than at any time in the nation's experience, Secretary Wallace predicted that decreased production would result in prices "so high that city consumers will complain bitterly, for the farmer cannot continue to produce at a loss."

This condition is undermining agriculture, the base of the "pyramid which represents our national life," Mr. Wallace said, adding that the first task of the country was to "bring agriculture through this critical period with the least possible damage." The industrial east, Secretary Wallace declared, may feel the need of a sympathetic and thoroughly efficient agriculture sooner than is realized, since "the billions of dollars which we have loaned to Europe must be paid not in gold but in goods which compete with our own manufacture and which are produced at a cost far below our own, and to meet such competition our own people must have the cheapest possible food." Outstanding requirements for the relief of agriculture, the Secretary said, are better credit conditions for the farmer, reduction of freight rates on agricultural products to the lowest possible level and federal supervision of such institutions as public stockyards, market agencies and grain exchanges.

Senator Criticizes Crop Reporting Board

In debate in the Senate, Dec. 19, Senator Smith, of South Carolina, charged that the Crop Reporting Board of the Department of Agriculture was "attempting to make the farmer the goat for some of its mistakes," with the result that the market broke and the men "who grow cotton lost money and the existing dissatisfaction was made the worse." (Press, Dec. 20.)

Farmer for Reserve Board

The Senate Dec. 19 began consideration of the bill to amend the Federal Reserve Act to provide that a farmer be appointed to fill the next vacancy on the Federal Reserve Board. (Press, Dec. 20.)

Reserve Board and "Agricultural Bloc"

The New York Times to-day says, in an article regarding the Senate bill advocating placing a farmer on the Federal Reserve Board: "The 'agricultural bloc' again came to the front in the Senate Dec. 19, when the bill to put a farmer on the Federal Reserve Board was made the unfinished business before the chamber. The 'bloc' which in this particular fight is led by Kenyon and Capper from the Republican and Smith and Heflin from the Democratic side, is confident of victory and members expressed the opinion that the bill would be passed before Congress adjourns Thursday for Christmas. There will be strong opposition to the bill and the result would appear to be in doubt with the odds, if any, slightly in favor of the 'bloc.'"

An editorial in The New York Times to-day on the same subject says in part: "At the top of the Senate's calendar is the bill of the agricultural bloc giving the farmers a representative upon the administration of the Federal Reserve Bank. No other interest demands that the national banking policy shall be molded by class preference. It does not follow that the farmers are not entitled to banking relief, but only that the banking relief should be on banking principles. There is no objection nor hindrance to the farmers having their own banks in this country of 30,000 banks. But there is great objection to the country's having its leading banking system remodeled in the likeness of the banks farmers organize when they have their own way - in North Dakota, for example. That is implicit in the success of the farmers' bloc proposal, as is shown by the nature of the difference of opinion between the Federal Reserve and the farmers. ..."

Section 2.

Agriculture in Public Schools

"Agriculture as a public school subject is rapidly assuming importance in New Jersey, according to announcement by the State Department of Public Instruction. Three types of work are offered to the schools of that State - elementary agriculture in the grades, vocational agriculture in the high schools and special evening short-course classes for adults and young men who are not regularly enrolled as high school pupils." (N. Y. Times, Dec. 18.)

Corn Acreage

In a report of the corn reduction meeting held by the corn belt farm bureaus at Chicago, Dec. 7, Wallaces' Farmer for Dec. 16 says: "Iowa, Illinois, Indiana, Missouri and Kansas were represented. The spirit of the Iowa and Illinois delegates was splendid. They wanted to put on a really effective corn acreage reduction campaign. The delegates from the other states seemed to be strongly in favor of the campaign in theory, but evidently feared what the city newspapers and the grain trade press might say about them, and did not take a strong hand ... In order to avoid offending city sentiment, the delegates from the five states finally agreed on a more clover, alfalfa and soy bean campaign. The idea will be stressed that the primary object of the campaign is to improve our soil fertility, and that we are only incidentally thinking of reducing the corn acreage to the point where, with average weather, we shall have a normal carry-over into 1923. The farm bureaus of these five corn belt states are now pledged to cooperate with all farmers, farm organizations, agricultural colleges, and the agricultural press, in promoting a campaign looking to an increased acreage of alfalfa, clover and soy beans and a reasonably reduced corn acreage. This resolution is worth something. ..."

Grain Marketing

An editorial in The Nebraska Farmer for Dec. 17 says in part: "A thorough investigation by the Federal Trade Commission of the grain trade, and the relation of grain exports to prices paid producers is being urged by the U. S. Grain Growers Inc. ... The commerce reports show that wheat exports from the United States for the first ten months of the present year increased nearly 100 million bushels over the same period of the previous year, and about 200 million bushels above the five-year average for the same period. The year 1920 was a record breaker in wheat and flour exports, but 1921 will show an even greater volume of exports, probably in excess of 350 million bushels of wheat and flour. Grain interests say the reason for declining wheat prices has been a lack of export demand, but the export figures hardly substantiate such an assertion; instead they arouse further suspicion in the minds of the producers that grain prices are manipulated in a manner to suit the speculative grain interests. There is now pending in the U. S. Senate, Resolution No. 133 calling for an investigation by the Federal Trade Commission of the export grain trade. The U. S. Grain Growers urge that this resolution be reported out of the committee and acted upon at once. ..."

Maple Producers Organize

Meetings of maple producers are now being held in every district in the maple-producing section of New York State, and the growers are organizing a cooperative marketing association on the California plan, it was announced Dec. 17 at the office of the Maple Producers' Co-operative Association, Inc., New York. (N. Y. Times, Dec. 18.)

Milk Prices

The New England Milk Producers' Association announced in Boston Dec. 18 a reduction from 9 to 8½ cents a quart in the price to be paid them by distributors for the remainder of December. (Press, Dec. 19.)

Tariff Legislation

The Nation for Dec. 21 says in an editorial: "Mr. Harding's proposal for a flexible tariff subject to constant alteration by the Tariff Commission doubtless foreshadows a similar scheme in connection with ship subsidies in regard to which he announces a special message in the near future. We regard his tariff plan as practically unworkable and as an interesting sign of Republican uneasiness in regard to the tariff. ... Mr. Harding hopes 'a way will be found to make for flexibility and elasticity' by extending the powers of the Tariff Commission 'so that it can adapt itself to a scientific and wholly just (sic) administration of the law.' But the Tariff Commission is now one of the most useless vermiform appendices in Washington. What will happen to business if the commission receives power to alter rates at will? Will anybody dare make long-time contracts abroad? The iniquity of tariffs is not thus to be hidden nor the tariff evil to be remedied."

Tariff on Butter

"The dairy interests are contending that the permanent tariff bill should protedt butter by 10 cents a pound instead of only 6 cents. This is a sound contention. Foreign butter is now finding its way into the United States in spite of the protection of 6 cents a pound. Butter ... represents a large amount of human labor, and Europe with cheap labor has heretofore been able to compete more effectively with us in the producing of butter than in the producing of grain." (Wallaces' Farmer, Dec. 16.)

Section 3.

Department of Agriculture

1. The Wall Street Journal to-day says in an editorial: "A brief notice from the Department of Agriculture announces the suspension of some of its important periodicals. This is because a provision of the Act of March 4, 1921, required the suspension of all publications except those approved by Congress by the first of December. Unless Congress learns to differentiate between waste and productive enterprise, its idea of economy will be costly to the whole country. A striking illustration is before the country right at this time. It is the cotton crop estimate. An error of 5,000,000 acres translated into production means 1,800,000 bales. The law requires an estimate of acreage to be published in July, and to do this accurately field statisticians must travel over every county of every cotton state. But the 1919 brand of economy cut their travel allowance to a swivel-chair level, and made a 20 per cent reduction in the force of the Bureau of Crop Estimates. Behold the result! Now, publications that disseminate important information are to be discontinued, or limited to such as Congress shall see fit to authorize. Does Congress know more of the agricultural needs of the country than the experts who head the industry? If it does, why should there be a Department of Agriculture? Out of every three dollars appropriated to this department it must pay two for services administering laws of Congress - purely governmental functions; while the other one goes to the development of agriculture. The money wasted by the Shipping Board would pay for this work for 100 years. And how different the results! From the arid regions of the Southwest comes a crop of long-staple cotton worth $20,000,000 a year. This department bred that cotton at a total cost of $40,000. It spent $250,000 in getting a species of wheat that would thrive in the semi-arid regions, and that crop is now worth $50,000,000 a year. ... It is at the head of a business whose annual output is worth nearly $20,000,000-000. But peanut finance must meddle with its management."

2. Regarding the suspension of department publications by the Congressional Joint Committee on Printing, American Farm Bureau Federation Weekly News Letter for Dec. 15 says: "... This is in face of the fact that the organic act of the Department of Agriculture gives it permission to 'disseminate information' and an annual appropriation of about three-quarters of a million dollars was made for printing with no strings tied to it aside from separating about $250,000 to be used by Congressmen in distributing Farmers' Bulletins to their constituents. Every member of the American Farm Bureau Federation is interested in this move to destroy the effectiveness of the work of the Department of Agriculture. After Congress has appropriated large sums for investigational work, the work on a single project sometimes running from $10,000 to $100,000, the Joint Committee on Printing sets itself up to decide whether the results of this experimental work shall be given to the public, mainly basing its judgment on the question of cost, which usually runs from $150 to $300."

3. In an editorial entitled "Discontinued" The National Stockman and Farmer for Dec. 17 says: "Early in hisofficial career Secretary Wallace considered the various publications of the Department of

(Cont'd on page 5)

Department of Agriculture

B. (Cont'd)

Agriculture. It was apparent to him that some changes would be beneficial. ... He called together a committee composed of editors of agricultural journals, who were supposed to know what would be useful to the public and what economies might be effected. The editor of this paper had the honor of presiding over this committee.... which made certain recommendations which were designed to make these publications more effective and cheaper, and which also eliminated certain of them. But Congress has taken a hand in this matter and forbidden any department in Washington to publish any 'journal, magazine or periodical' without authority of the Congressional Joint Committee on Printing. Under this rule ten publications of the Department of Agriculture are now rated as periodicals, and after this month may or may not be published just as the Joint Committee may determine. ... With all respect to the statesmen, we are bumptious enough to believe that the committee of editors knows more about this matter than the committee of Congress does, so we commend to the latter the report of the former."

Section 4.
MARKET QUOTATIONS.

Farm Products

Dec. 19: Chicago wheat prices advanced following weak opening. Main factors were: strength in Winnipeg, lighter receipts, continued dryness in Southwest, and wider buying interest. Visible supply wheat 48,070,000 bus., an increase of 733,000 bus. for week. Visible supply corn 18,258,000 bus., an increase of 2,308,000 bus. for week. Chicago May wheat higher at $1.14 3/4; Chicago May corn higher at 53 $\frac{1}{4}$¢. Closing prices in Chicago cash market: No. 2 red winter wheat $1.17; No. 2 hard winter wheat $1.11; No. 2 mixed corn 49¢; No. 3 white oats 36¢. Average price to farmers in Central Iowa for No. 2 mixed corn about 32 $\frac{1}{2}$¢; to farmers in Central North Dakota for No. 1 dark northern wheat 1.04\frac{1}{4}$.

Chicago hog market lower, bulk of sales $6.50 to $6.85. Beef steers and fat cows and heifers down 25¢: Medium and good beef steers $6.15 to $9.25; butcher cows and heifers $3.25 to $8; fat lambs $8.25 to $10.50; feeding lambs $8.75 to $10.

Potato markets steady; demand moderate. Bulk Green Mountains $1.36 to $1.41 per 100 lbs. f.o.b. Maine points. Extra Fancy Winesaps, medium to large sizes, $2 to $2.25 per box f.o.b. Yakima District. Sacked Yellow Globe Onions $5 to $5.25 per 100 lbs. f.o.b. Mass. points.

Hay markets weak account fairly large receipts; in several instances price concessions are necessary to move stocks. Southern and other buyers holding off buying until rail rate reductions Dec. 27. Abnormal strength in bran market. Cottonseed meal in good supply. Important increase in production expected after Jan. 1.

Butter markets unsettled. Fanciest grades scarce and most sensitive to price changes. Cheese markets inactive but steady. Usual holiday dullness prevails.

Spot cotton higher at 17.92¢ per lb. New York December future also higher at 18.67¢. (Prep. by Bur. of Mkts. & Crop Est.)

Industrials and Railroads

Dec. 19: Average closing price 20 industrials 80.31, as compared with 68.52 corresponding day 1920; average closing price 20 railroad stocks 74.95, as compared with 71.36. (Wall St. Jour., Dec. 20.)

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Vol. III, no. 68. Section 1. December 21, 1921.

Live-Stock Traders Must Operate Under Department Rules

Effortsof live-stock traders at the Chicago stockyards to prevent enforcement of the live-stock trading act failed Dec. 20 when Judges Landis, Evans and Fitzhenry, of Chicago, dismissed their application for an injunction restraining Secretary of Agriculture Wallace and District Attorney Charles F. Clyne from enforcing the law. As a result of the decision the live-stock traders will be required to file their commission schedules with the Government immediately and operate under the rules to be laid down by the Department of Agriculture, or face fines provided by the act. (Press, Dec. 21.)

Future Trading Act

A Chicago dispatch to The Philadelphia Public Ledger today says: "The Board of Trade has a perfect understanding with the Secretary of Agriculture regarding its course of procedure in accordance with the terms of the Capper-Tincher Act, officially called the Future Trading Act, and it is not a party to the injunction proceedings before the Supreme Court to test its constitutionality, which was initiated by some members. In order to qualify as a contract market December 24, when the law takes effect, the members by a practically unanimous vote have adopted such changes in the rules as are necessary to conform thereto, except with respect to those phases before the Court. The decision is expected about the middle of January. The modifications adopted relate principally to dissemination of false reports and manipulation of markets and penalties. The members will similarly amend other rules if the act is held constitutional. Back of all these considerations looms the larger question as to whether the farmers' organizations can secure rights and privileges on end through the exchanges not accorded to any other interested class of citizens, and whether they can, without due processes of law,secure control of some valuable features and portions of the grain trade machinery."

Senator Capper Upholds "Bloc"

Senator Capper asserted in the Senate, Dec. 20, that the agricultural "bloc" in the Senate was seeking no special class legislation and had no desire to "hold up Congress or anybody else," but was "really rendering the country a greater service at this time than any other group of men." (Press, Dec. 21.)

Russian Relief

The Senate, Dec. 20, passed the House bill appropriating $20,000,000 for Russian relief. (Press, Dec. 21.)

Farmer Federal Reserve Member

The Senate, Dec. 20, reached unanimous consent to vote Jan. 17 on the bill to amend the Federal Reserve Act so that a farmer shall be named to the next vacancy on the Federal Reserve Board. (Press, Dec. 21.)

Farm Loan Board Aid

Senator Fletcher charged in debate in the Senate, Dec. 20, that control of the Treasury Department over the affairs of the Farm Loan Board has resulted in defeating the aim of legislation enacted for the purpose of aiding the farmers of the country. While the farmers were in "distressing conditions" he asserted, the agency created by Congress to aid them was being restricted to annual bond issues of between $150,000,000 and $200,000,000, whereas the amount of issue, he said, "should be several times greater." He estimated a bond issue of $1,000,000 a day is necessary. (Press, Dec. 21.)

Finance Corporation Relief Sought

Senator Trammell, Dec. 20, introduced a bill authorizing the War Finance Corporation to make advances and to purchase securities to provide relief for producers of and dealers in agricultural products until July 1, 1923. (Press, Dec. 21.)

Sugar Legislation

Conflicting sugar interests continued their arguments before the Senate Finance Committee, Dec. 20, for and against proposed increases in the rates of duty proposed in the House tariff bill. American beet and Porto Rican cane sugar interests asked the committee for a duty of 2 cents a pound on Cuban raw sugar, while Louisiana cane producers and manufacturers urged that the duty be made 2.5 cents apound. The rate proposed in the Fordney bill is 1.6 cents a pound, an increase of six-tenths of 1 cent over the Underwood law duty and the same rate as is now in force under the emergency tariff act. Spokesmen for the American beet and cane interests, in concluding the presentation of their case, declared that their industries were threatened with destruction and would be forced to suspend if the present duty were continued. (Assoc. Press, Dec. 21.)

Section 2.

Agricultural Financing

The War Finance Corporation announces that, from December 15 to December 17, inclusive, it approved 150 advances, aggregating $4,234,000.00 for agricultural and live-stock purposes in western and southern States. During the week ended December 17, 1921, the corporation approved a total of 278 advances, aggregating $9,035,740, for agricultural and live-stock purposes. (W. F. C. press statement, Dec. 19.)

Agricultural Situation

Basing an editorial, entitled "The Matter with the Farmer," on the annual report of Secretary Wallace, The Commercial and Financial Chronicle for Dec. 17 says: "Like everybody else, the farmer must buy what he needs with the surplus of what he produces, and what troubles him worst at present is that he has been more 'liquidated' since the war closed than others have been. The report of the Secretary of Agriculture states this plainly. The purchasing power of the principal farm crops of this year, says he, is now lower than ever before. ... Therefore, the farmer, not mistaken in feeling that something is

(Cont'd on page 3)

Agricultural Situation

(Cont'd)
troubling him, but perhaps only dimly understanding what this is, goes into a bloc, demanding that something shall somehow be done for him, sharing the bad American habit of looking to Government to help, and threatening to hinder other matters until his case has attention. The bloc adds a little to the ancient log-rolling argument; that was, 'if you help my roll by log I'll help you roll yours,' but the bloc threatens to put an immovable obstacle before everything. The farmer's trouble is not so much that his products are too low, by the dollar yardstick, as that the things he must purchase are too high, so that when he goes into the universal exchanges market he has to match high prices with low prices. ... But if we admit, for the argument, that the farmer's case is so especially bad that he has the right of way and must be helped somehow, the question of remedy arises. He is indispensable; he is at the starting-end of the line; he must keep going, and whatever is really necessary to keep him going must be had - nobody will dispute this, for the body must be fed according to its needs, or down goes everything. ..."

Referring to some method of Federal subsidy as a form of remedy, the editorial continues: "Any subsidy from the public Treasury would be as surely futile... Any subsidy means increased taxes, and those distribute themselves, causing strictures and industrial hindrances here and there and aggravating troubles while seeming to lighten them. On this Secretary Wallace well says: 'Better prices for the crops the farmer has to sell and lower prices for the things he has to buy are far more needed than an opportunity to go further into debt. ...'"

American Farm Bureau's Accomplishments

A. F. B. F. Weekly News Letter for Dec. 15 presents a summary of definite accomplishments since its organization, in a statement entitled "The Farm Bureau's Thirty Points."

Cotton Acreage

After reviewing the department's recently issued cotton report, The Commercial and Financial Chronicle for Dec. 17 says: "With the result of this season's propaganda so fresh in mind it is rather surprising that what looks like a revival of the movement is again in evidence. At all events, according to a telegram dated Memphis, Dec. 14, planters, merchants and bankers, at a final session of a conference called to inaugurate a campaign for cotton acreage limitation and crop diversification in 1922, adopted resolutions urging that cotton acreage be limited to the area planted in 1921, and organized the convention as a permanent institution, with meetings to be held in Memphis each year. Presumably, it is hoped this will serve to give another artificial stimulus to the market."

Food Prices

Food costs for the average family in the United States were 1 per cent lower in November than in October, according to Department of Labor estimates. The compilation of the estimates was made from reports of prices of 43 food articles to the department's statistical bureau by retail dealers in 51 cities. For the year since November 15, 1920, the department reported, retail prices have decreased 22 per cent on an average. Since November 15, 1913, to date, however, food products have increased an average of 45 per cent. (Assoc. Press, Dec. 21.)

Section 3.

Department of Agriculture

1. A dispatch from St. Matthews, S. C., to Journal of Commerce, Dec. 20, says in part: "J. S. Wannamaker, president of the American Cotton Association, has addressed the following communication to United States Senators and Congressmen from the cotton states: 'The Federal Crop Reporting Board issued its annual forecast of the 1921 production of cotton and a revision of the estimated cotton acreage planted this year on December 12. I beg to enclose for your specific attention copy of one paragraph which appeared in the official report of the bureau. The alleged "misleading statements" regarding acreage reduction as reported by the thousands of correspondents of the Government, by farmers, bankers, and merchants is a reflection upon their integrity which no Government Department should be permitted to charge without definite and undeniable information. ... The recent report of the bureau has brought a grave indictment of distrust against the farmers, merchants and bankers of the whole South, which has been sentout worldwide, and great harm has been done to the cotton-growing industry and the price of the staple. I would thank you to give your usual prompt and valuable consideration to this important matter and let me hear of the steps you are taking to cause a full investigation of the recent cotton acreage report.'"

2. The Journal of Commerce for Dec. 19 publishes the following dispatch from Manchester, England: "The serious discrepancy in regard to both acreage and crops between the figures issued last week by the United States Department of Agriculture and those contained in its earlier estimate was discussed Dec. 17 at a joint meeting of representatives of the master cotton spinners and the master weavers. The matter came up in the form of a communication to the meeting by the Manchester Cotton Association describing the situation and expressing regret at the unsatisfactory nature of the earlier reports published by the department, which, it was stated, had had the effect of interfering with legitimate business in the cotton industry not only in this country but throughout the world."

Commenting upon the subject, The Journal of Commerce says: "The report that the Manchester Cotton Association had protested against the remarkable discrepancy in the crop estimates as a handicap to legitimate business throughout the world made a deep impression upon Secretary Wallace. It is known that the Secretary has informed his subordinates that they must leave no stone unturned to prevent a repetition of the recent blunder, although the head of the department is not disposed to apologize for the recent estimate on the ground that the board was handicapped by a lack of adequate appropriation for the field statisticians to check over the estimates of the voluntary reporters."

3. "It is regretted that the Secretary of Agriculture has in effect suggested and approved the use of corn as fuel. Not that this suggestion will be followed to any extent, but it is difficult to conceive of a more depressing influence on the market. The psychology is bad. Even those who know they will need corn are in no hurry to buy it when they believe it is so plentiful as to be burned in place of coal or wood, while speculative purchases are still more easily influenced." (Modern Farming, Dec. 10.)

Department of Agriculture

4. American Farm Bureau Weekly News Letter, Dec. 8, says: "The American Farm Bureau Federation, together with other farm organizations, is endeavoring to have a larger salary than $4,500 provided in the deficiency appropriation bill, for the person who would administer the Future Trading Act. The bill not only limits the rate of compensation but says that only one person shall be employed even at that salary. The Future Trading Act erects machinery for the regulation of trade amounting to billions of dollars annually. The person who administers the Act should have an excellent working knowledge of the intricacies of grain trading and the system of handling grain and any such man in the trade would be worth several times the amount provided by Congress in this bill."

Section 4.

MARKET QUOTATIONS.

Farm Products

Dec. 20: Chicago wheat prices unsettled within narrow range. Broomhall revised estimate world's exportable surplus 648,000,000 bus. exclusive of India and Manchuria; import needs around 600,000,000 bus. exclusive of Russia. Country offerings corn to arrive moderate. Chicago May wheat lower at $1.14; Chicago May corn lower at 53¢. Closing prices in Chicago cash market: No. 2 red winter wheat $1.17; No. 2 hard winter wheat $1.11; No. 2 new mixed corn 45¢; No. 3 white oats 35¢. Average price to farmers in Central Iowa for No. 2 mixed corn 32¢; to farmers in Central North Dakota for No. 1 dark northern wheat $1.06½; to farmers in Central Kansas for No. 2 hard winter wheat 89¢.

Chicago hog market strong, bulk of sales $6.40 to $6.80. Beef steers and she stock generally steady. Medium and good beef steers $6.15 to $9.25; butcher cows and heifers $3.25 to $8; best fat lambs steady to 25¢ higher, others steady at $8.50 to $10.50; feeding lambs $8.75 to $10.

Potato haulings light. Bulk Maine Green Mountains $1.36 per 100 lbs. f.o.b. shipping points. Round Whites $1.45 to $1.55 per 100 lbs. sacked f.o.b. Northern shipping points. Maine No. 1 Baldwin apples $6.50 to $7 per bbl. in Pittsburgh; $6 to $6.50 in Boston and Philadelphia. New Jersey sweet potatoes, yellow varieties, $1.75 to $1.85 per bushel hamper in Boston; $1.65 to $1.75 in New York; $1.90 to $2.10 in Pittsburgh.

Spot cotton lower at 17.85¢per lb. New York December future also lower at 18.50¢. (Prep. by Bur. of Mkts. & Crop Est.)

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

Vol. III, no. 69. Section 1. December 22, 1921.

The Federal Budget

A meeting, at which President Harding, the Director of the Budget, and the heads of all the Government departments will appear to discuss the business organization of the Government, will be held during the last part of January and will be followed by like meetings to be held semi-annually, it was announced Dec. 21. In announcing that the President would call the meeting, General Dawes said Mr. Harding's purpose was "to personally give instructions in connection with his policy of securing economy in expenditures consistent with efficiency," and to outline the method he desired followed in connection with deficiency estimates. At the coming meeting, General Dawes will present the result of the work of the coordinating boards for the first six months of this fiscal year. The coordinating boards have been engaged in unifying the routine business of the Government. The expenditures for the first six months of the fiscal year will be ascertained and a general comparison between the estimates of expenditures presented by the heads of departments and the actual expenditures will be available. (Press, Dec. 22.)

Bill Would Forbid Blocs

A bill prohibiting the formation in Congress of "blocs," based upon particular pursuits of geographical locations, for the purpose of "in any way affecting legislation," was introduced in the House, Dec. 21, by Representative Ansorge. Senators and representatives would be subject to a fine of $5,000 in case it was proved they belonged to a "bloc." "If we are to have an agricultural 'bloc' why not a manufacturers' 'bloc'? A consumers' 'bloc' and numerous geographical 'blocs'?" Mr. Ansorge asked. (Press, Dec. 22.)

American Valuation Plan

Chairman Fordney, of the Ways and Means Committee, Dec. 21, defending American valuation in the pending tariff law as the "logical solution of the present-day economic conditions," charged that importers, through misleading propaganda, are attempting to delay or defeat tariff legislation, and to accomplish this end are centering an attack upon the American valuation plan.

Replying to Chairman Fordney, Representative Oldfield, member of the Ways and Means Committee, declared in the House that the proposed import duty on hundreds of articles under the American valuation plan would be prohibitive. (Press, Dec. 22.)

Senator Kenyon's Public Works Bill Indorsed

Representatives of chambers of commerce and the American Federation of Labor before the Senate Finance Committee, Dec. 21, gave unqualified approval of the Kenyon bill designed to offset future cyclical periods of unemployment and depression by advance planning of public works. (Press, Dec. 22.)

Higher Tariff Urged for Paper-Making Industry

Additional protection for America's billion-dollar paper-making industry against competition from Germany and Scandinavian countries was asked of the Senate Finance Committee, Dec. 21, by the American Paper and Pulp Association. Spokesmen for various branches of the industry, except newsprint, gave details as to conditions in their lines. Producers of paper wallboard alone urged that their products be put on the free list. (Press, Dec. 22.)

Russian Relief Bill

The House, Dec. 21, adopted the conference report on the bill authorizing appropriation of $20,000,000 for relief of famine sufferers of Russia. Senator Watson gave notice that he would not permit final legislative action on the Russian relief measure before Christmas, and as such action can only be brought about before the holiday recess through unanimous consent, the Georgia Senator will be able to hold up the bill. (Press, Dec. 22.)

Corn to Russia

"Corn Bread Upon the Waters" is the title of an editorial in to-day's New York Times, which saysin part: "It is a blunder approaching an international offense to propose combining the gift with recognition of a Government which has confessed itself bankrupt of ideas of social reform, and is also generally thought bankrupt of moral ideas. In a less degree it is a mistake to associate Russian relief with the troubles of our farmers. It is true that some of them are burning corn because it is cheaper than buying coal, and because it costs more than the corn is worth to send it to Russia on an economic basis. That objection does not lie against exporting corn to certain other countries, nor to Russia when the cost and freight are matters of charity rather than business. No member of Congress is reported as discussing the significance of the fact that for the eleven months of this calendar year our exports of corn were 118,811,271 bushels, against last year's 14,720,333. There is the capacity of a food revolution in such an unusual change as that. It is hard to estimate the economic worth to our farmers of fostering the unprecedented appetite of 'abroad' for our corn. Heretofore we have tried hard to popularize among foreign nations a food which we know to be wholesome and filling, but costly selling campaigns have failed, notably the one at the time of the Paris Exposition. ... Our enlarged exports are due to the use of gritsin our relief work, and Europeans are hungrier now than when they refused heretofore to buy the food we sold. They are poor as well as hungry, and they will take uncalculated quantities of a food costing about one-half of any other food from here. If our exports of corn can be increased in proportion to the populations which have eaten it or which can be taught or induced to eat it, there is a better prospect ahead of our corn farmers than they imagine - unless they mark up their stores too high on the prospect."

Section 2.

Agricultural Situation

"The Way Out for Agriculture" is the title of an editorial in New York Commercial for Dec. 20, based upon the recent report of the Congressional Joint Commission of Agricultural Inquiry. After reviewing the various recommendations of the report, the editorial says: "Agricultural produce must enjoy lower freight charges in many instances. This much the commission rightly advocates. It fails, however, to point out that such reduced rates in the absence of lessened rail labor expense can only injure the transportation system upon which the major portion of our agriculture is absolutely dependent. The farmer's real and permanent interest in this particular is one with that of the roads. Both need and both must have lower rail wages and more efficient transportation labor. A very similar situation exists in several other basic industries. In others the farmer has a just complaint against the management for not bringing costs and prices of manufactured products more promptly into line with the needs of a changed situation. Agricultural interests have likewise a very important stake in the development of a saner tax system - a system quite different from the one many of them are calling for. They should demand the prompt abandonment of plans for excessive tariffs alike on farm products and manufactured goods. A well-rounded and adequate foreign creditpolicy is another matter upon which the future of agriculture in goodly measure depends, as is also adherence on the part of Congress to a policy of rigid economy."

Alien Farmers in California

The California anti-alien land law does not prohibit the making of contracts under which alien tenants farm land and take as payment for their labor a proportion of the crop produced, the United States district court at San Francisco held in a decision handed down Dec. 20. (Assoc. Press, Dec. 21.)

Commercial High Commission Headed by Hoover

President Harding has appointed Secretary Hoover as chairman of the United States section of the Inter-American High Commission. This commission is established by treaty with all South American countries andits purpose is to act in common as an advisory body to the various governments in perfecting commercial and financial practices between the different countries. (Press, Dec. 21.)

Cooperative Marketing

"When we reflect on the disgraceful way in which cotton is now being marketed - the bales cut and slashed and an average of six to eight samples taken, left out in the weather to damage and rot, puton the market by the producer without any knowledge as to grade or staple, almost all of it forced on the market in three or four months because of inadequate warehousing and financing, and subjected to the toll taken by from five to fifteen middlemen between the grower and the spinner - we repeat that when we reflect on these things it is disheartening to think that any one should, through selfishness, oppose in any way, openly or under cover, the effort to improve marketing conditions by cooperation... It is not only disheartening but it is absolutely disgraceful that any one should seek to obstruct any movement for the better marketing of farm crops." (Progressive Farmer, Dec. 17.)

Section 3.

Department of Agriculture

1. A dispatch from St. Matthews, S. C., to The New York Journal of Commerce, Dec. 21, says in part: "With reference to worldwide criticism of the Dec. 12 report of the Crop Department Bureau (sic) on forecasting the cotton crop of 1921 and revision of the cotton acreage planted this year, President Wannamaker of the American Cotton Association to-day authorized the following statement: 'A great number of letters have reached our national headquarters within the past few days from all sections of the Cotton Belt expressing indignation and resentment over the reasons assigned by the Crop Reporting Bureau as causing its underestimate of the 1921 cotton production the first of October. ... In view of the facts above stated and the widespread adverse criticism of the report of the cotton acreage revision, the American Cotton Association has requested Southern Senators and Congressmen to cause a searching investigation of the methods employed by the Crop Reporting Bureau in its recent revision of the cotton acreage planted in 1921. The association believes the cotton acreage planted this yearas estimated by the bureau in July to be correct. The association is confirmed in this belief as a result of its careful reports gathered at that time from all the cotton-growing counties of the belt and the large number of private reports issued by reliable cotton firms, trade journals and other agencies which approximated the July estimate of the bureau. ...'"

2. "The National Association of Cotton Manufacturers is to inquire into the reasons for the wide discrepancy between the United States Department of Agriculture's September forecast and its December estimate of the cotton crop and see if precautions cannot be taken to prevent a repetition of this in the future." (Jour. of Commerce, Dec. 21.)

3. In a lengthy editorial The Washington Herald, Dec. 22, reviews the proposed transfer of the United States Forest Service from the Department of Agriculture to the Department of the Interior. The editorial says in part: "One of the great constructive achievements of President Roosevelt appears in danger. A serious attack on the United States forest service will soon be in the news. Bills in the House and Senate provide for transferring the forest service in whole or in part from the Department of Agriculture to the Department of Interior. Hearings have been held and will shortly be continued. In the Department of Agriculture, where they are now, the forest service and the national forests are safe, and so well managed that they have won the practically unanimous support of the nation. Their purpose is to grow trees, and they belong naturally in the department which has to do with growing all crops, including tree crops, from the soil. Forestry is a part of agriculture and is so recognized the world around. The Interior Department is the real estate agent of the government. It is not the business of a real estate agent to grow crops on forest or farm. As a matter of fact, when the Interior Department had charge of the national forests, years ago, President Roosevelt insisted upon their transfer to the Department of Agriculture. The modern progress of forestry in America dates from that change.

Department of Agriculture

4. "Last week the Secretary of Agriculture made public the rules which are to govern the operation of stockyards and the marketing agencies connected therewith. Study of the rules reveals nothing of great importance to producers of live stock. The rules provide for certain practices which are essential to fair trading, but these are already enforced by the live-stock exchanges... Nothing is said about certain practices at minor markets, such as execution of buying orders by commission firms which are also sellers of live stock, weighing up stock to account of the selling firm, etc. We cannot see that the new rules will make any great change in the business with the possible exception of more reports on the part of commission houses." (National Stockman and Farmer, Dec. 17.)

Section 4.

MARKET QUOTATIONS.

Farm Products

Dec. 21: Wheat prices responded to increased buying and advanced to new high on present upturn, Chicago May wheat closing at $1.16 3/8. Passage by Senate of Russia Relief Bill, smaller receipts, and higher flour prices in Southwest were main factors. Exports for first five months of crop year total 181,000,000 bus. or 5,000,000 bus. less than year ago. Chicago May corn also higher at 54 5/8¢. Closing prices in Chicago cash market: No. 2 red winter wheat $1.19; No. 2 hard winter wheat $1.14; No. 2 new mixed corn 49¢; No. 3 white oats 35¢. Average price to farmers in Central Iowa for No. 2 mixed corn 33¢; to farmers in Central North Dakota for No. 1 dark northern wheat $1.06.

Chicago hog market strong, bulk of sales $6.75 to $7.05. Cattle also strong ; Medium and good beef steers $6 to $9.25; butcher cows andheifers $3.25 to $8. Light and medium weight veal calves $6 to $8.50. Fat lambs $9.75 to $10.75.

Most potato markets slow and dull. Maine shipping points firm at $1.36 to $1.41 per 100 lbs. bulk Green Mountains. Markets at Western New York shipping points inactive. Maine No. 1 Baldwin apples $6 to $6.50 in Boston; $6.50 to $7 in Pittsburgh.

Holiday dullness affecting hay market. Receipts light but demand limited to light current needs. Prices unchanged but tone of market generally weak. Most feed markets report usual holiday dullness. Offerings of bran and linseed meal light. Available stocks ample to meet present demand.

Butter markets unsettled; tone weak with price tendency downward. Cheese markets inactive but steady. Usual holiday dullness prevails.

Spot cotton lower at 17.69¢ per lb. New York December future higher at 18.58¢. (Prepared by Bur. of Mkts. & Crop Est.)

Industrials and Railroads

Dec. 21: Average closing price 20 industrials 79,02, as compared with 67.02 corresponding day 1920; average closing price 20 railroad stocks 73.95, as compared with 70.74. (Wall St. Jour., Dec. 22.)

UNITED STATES DEPARTMENT OF AGRICULTURE

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Vol. III, no. 70. Section 1. December 23, 1921.

Federal Price Inquiry Begun

Federal investigation of retail prices charged in various parts of the country for food, fuel, shoes and clothing was intimated yesterday by Attorney General Daugherty. He gave orders to Director Burns, of the bureau of investigation of the Justice Department, to assign a force of men at once to the duty of obtaining data on retail prices in different localities. Mr. Daugherty declared that prices of necessary commodities were too high and that in some instances the profits of retailers were "unconscionable." It would never be possible, he asserted, to get prices down to the prewar level, but with wages lowered and the costs of foodstuffs reduced he was determined to learn whether the present "badly proportioned" retail prices should be maintained.

Mr. Burns was instructed to put his men to work simultaneously to obtain the variations in various localities in the retail prices of general foodstuffs, such as meats, provisions, beans, bread and butter, fuel, shoes and clothing and to make schedules of the comparative prices. Reports will also be gathered on the wholesale prices of wheat, beef and meats of all kinds in order, Mr. Daugherty explained, that comparisons might be made of the costs of these commodities with the prices charged by the butchers and grocers. The department's agents are to be instructed to do their work carefully, but as rapidly as possible. (Assoc. Press, Dec. 23, 1921.)

Grain Market Investigation

A resolution adopted by the Senate Dec. 22 calls upon the Federal Trade Commission to ascertain and report the margins between farm and export prices, freight and other transportation costs, profits and losses of firms engaging in the business, facts connected with market manipulations, the organization, control and relationship of concerns engaged in the export of grain, the methods used by foreign buyers and other data affecting the foreign use of American exported grain. (Press, Dec. 23.)

Seed Credit Legislation

Senator McCumber, Dec. 22, introduced in the Senate two bills to give further relief to farmers in crop-failure areas. One measure would set aside $5,000,000, from which farmers in crop-failure sections could borrow to purchase seed to the maximum of $300. The other bill would reimburse farmers who received loans from the Government in 1918, under the seed-purchase fund of that year, and who later borrowed from private sources to repay the Government advances. (Press, Dec. 23,)

Russian Relief

Final legislative action was taken Dec. 22 on the bill appropriating $20,000,000 for Russian relief, when the Senate agreed to the conference report, and the measure was sent to the President. Secretary Hoover stated Dec. 22 that bids for carloads of grain had been asked and would be received at the offices of the American Relief Administration in New York to-day. He expressed the belief that with the cooperation of the Shipping Board the grain will be shipped from American ports within the next eight or ten days. (Press, Dec. 23.)

Public Works Legislation

The Senate Labor Committee, Dec. 22, reported the Kenyon bill looking to a program of long-range planning of public works as a means of offsetting cyclical periods of business and industrial depression. (Press, Dec. 23.)

International Economic Conference Urged

Senator France, Dec. 22, introduced a resolution authorizing and directing the President to call an international economic conference to be held in Washington in March, 1922. (Press, Dec. 23.)

Section 2.

Agricultural Financing

1. Up to November 30 the War Finance Corporation had advanced this year for agricultural and live-stock purposes more than $82,000,000 according to the annual report of the organization as filed with Congress, Dec. 22. Besides agricultural financing, advances were reported aggregating $51,500,000 on exports, $52,000,000 on cooperative associations, $72,000,000 to banking and financial institutions and $9,000,000 to exporters, the latter covering both agricultural and export advances. (Press, Dec. 23.)

2. The War Finance Corporation announces that from December 19 to December 21, 1921, inclusive, it approved 205 advances, aggregating $6,917,000 for agricultural and live-stock purposes in the West and South. (W.F.C. press statement, Dec. 23.)

Agricultural Situation

"The admission by the Department of Agriculture that it had previously underestimated this year's cotton crop by 1,800,000 bales and that the indicated yield is 8,340,000 bales has also been bearishly construed in some quarters, but as a matter of fact it has only served to bring out the inherent strength of the market, for most of the decline caused by the revised estimate was recovered when it became known that the consumption in November was the largest of any month since June, 1920. This increase in consumption affords a striking proof of the real revival that is developing in the cotton as well as the woolen textile industry of the United States, and were it not for the surplus

remaining over from last year a crop of less than 8½ million bales would be regarded as utterly inadequate. . . . There have been no striking developments or price changes in the other commodity markets. In the grain and live-stock territory of the West and Southwest the low figures at which corn and cattle are selling continue to be the subject of bitter complaint . . . . The remedy most advocated is a reduction in railway freights, and despite the protestations of poverty with which the railroads oppose lower rates the probability is that opinion will soon compel their adoption. One has only to read the Congressional Record to see that the agricultural prosperity that the Pacific Coast and especially the fruit growers of Oregon and Washington are enjoying because they have cheap transportation to the markets of the East via the Panama Canal is an object lesson that is having its effect upon the Congressmen who hail from the land-locked regions of the Middle West." (Commerce and Finance, Dec. 21.)

Corn as Fuel

1. In an editorial on "Iowa Burning Corn for Fuel," Manufacturers Record for Dec. 22 says: "Based on present conditions, the Iowa people can not be blamed for burning corn for fuel. It is cheaper at the present prices of corn and coal to burn corn as fuel in Iowa. . . . It is, however, lamentable that such a condition of affairs exists. It is a reflection of the first magnitude upon the financial system which has brought about such a condition."

2. An editorial entitled "The Burning of the Corn," in Commercial and Financial Chronicle for Ded. 17, says: "A vagrant item of news tells of a factory in the West that intends to burn corn rather than coal, on the score of economy. We need not bother ourselves much about this pseudo-experiment. It signifies nothing in itself. But when we read Government agencies are preparing to loan, through local banks, to farmers for the purpose of enabling them to hold grain for a higher price, the news becomes the concern of the whole country. . . Has the acumen of the farmer become so slow and dull that he can devise no other means of utilizing an over-abundance than this possible burning? There is no evidence of it, and we are sure few factories will be afforded such an opportunity. But why should he hold corn when he can feed it into stock for the market? . . . ." We discern, then, in these claims by an agricultural element for Government relief and a certain condemnation of packers two conflicting tendencies. Not only may it be wasteful for farmers to hold corn for a higher price, but a Government that lends itself to undue restrictions upon packers may condemn these important industries to pursue a course not to the interest of the farmers afflicted with an over-abundance. The matter goes beyond any statistical analysis. It enters the domain of world-business. . . "

Section 3.

Department of Agriculture

1. An editorial in The Journal of Commerce for Dec. 21 says: "The Department of Agriculture in its efforts to work out of the unpleasant situation caused by its disastrous blunder on cotton is now reported as alleging that only $35,000 was spent in predicting the size of the crop. The Bureau of Crop Estimates at Washington has an appropriation of about $225,000, and it seems difficult to suppose that the cost of the cotton figures has been as little as $35,000 for the past year, unless all 'overhead' and office expenses are eliminated. That, however, is the way in which such estimates are usually prepared, and if the Department has resorted to this method of evasion it is not materially different from some of its predecessors. Whatever the cost of the estimate may have been--whether $35,000 or $350,000--it is literally a great many times larger than the sums laid out by private estimaters who have obtained results very much nearer the truth than did the Bureau of Crop Estimates. It is not more money, therefore, but more efficiency that the bureau needs and ought to get. It has enough money to do this piece of work a great deal better than it has been doing it. On the other hand, it admits that its figures on some other phases of the agricultural yield, such as live stock, are probably much less accurate even than its return on cotton, and there is no doubt that such is in fact the case. Its figures are, in short, so far from the truth as to be unreliable. More--they always err on the side of the farmer and grower, as past years of experience have shown... It is time for the Department of Agriculture to justify itself in the matter of crop estimates. It never has fully done so, and from time to time in past years offensive scandals in connection with its figures have developed--usually, indeed, as an outgrowth of its cotton figures. Then, as now, it sought to find a means of escape in confession and avoidance--in the plea that the mistakes were excusable because Congress had not given it the money it needed, or because something else was wrong. This way of dealing with the situation is obsolete."

2. "If the officials of the Department of Agriculture had not followed the Washington fashion in trying to 'pass the buck' by putting the blame for their mistaken crop estimate of last September upon the 'Southern Propagandists' the error would probably have been forgiven them. As it is they have aroused a storm of criticism from those who thoughtlessly assume that the Government crop estimate or any crop estimate can ever be more than an average of public opinion. There are over 800 cotton-producing counties in the South. A scientific or accurate ascertainment of the acreage planted or harvested in each county, as well as of the yield per acre, is impossible. . . Whether the money

of the taxpayers should be spent in compiling estimates that are or must be guesswork is a question that only Congress can decide. It is hardly worth discussing, for the idea that a Government official is clairvoyant will probably persist despite its obvious absurdity. This year's experience has, however, put the world on notice that Government estimates are not infallible, and that in dealing with them, as with everything else, allowance must be made for the ever-present 'human equation'." (Commerce and Finance, Dec. 21.)

Section 4.

MARKET QUOTATIONS

Farm Products

Dec. 22: Chicago wheat market unsettled with prices fractionally lower to unchanged; Chicago May wheat $1.16; Chicago May corn 54½¢. No export business reported as foreign holidays have checked demand. Closing prices in Chicago cash market: No. 2 red winter wheat $1.19; No. 2 hard winter wheat $1.13; No. 2 new mixed corn 49¢; No. 3 white oats 35¢. Average price to farmers in Central Iowa for No. 2 mixed corn about 34¢; to farmers in Central North Dakota for No. 1 dark northern wheat $1.09; to farmers in Central Kansas for No. 2 hard winter wheat 90¢.

Chicago hog market lower, bulk of sales $7 to $7.25. Early sales beef steers strong to 25¢ higher; closing mostly steady; medium and good beef steers $6.25 to $9.25; butcher cows and heifers $3.25 to $8. Best fat lambs and yearlings strong to 25¢ higher, other classes steady. Feeder lambs firm at $9 to $10.25.

Potato haulings very light. Markets very dull but steady. Bulk Green Mountains $1.36 to $1.41 per 100 lbs. f.o.b. Maine shipping points. Sacked Round Whites $1.50 to $1.53 and $1.65 per 100 lbs. f.o.b. at Michigan and Western New York shipping points respectively. Maine No. 1 Baldwin apples $6 to $6.50 per bbl. in Boston; $6.90 to $7 in Philadelphia.

Holiday dullness affecting hay markets; receipts light but demand limited to light current needs. Feed markets dull. Mill stocks of cottonseed cake and meal 30,000 tons more than same date last year; seed stocks about 200,000 tons larger.

Butter markets steady with prices showing tendency to recover from downward trend. Cheese markets inactive but steady. Usual holiday dullness prevails.

Spot cotton prices down 1 point at 17.78¢ per lb. New York January future down 13 points at 18.08¢ (Prepared by Bur. of Mkts. & Crop Est.)

Industrial and Railroads

Dec. 22: Average closing 20 industrials 78.76 as compared with 69.63 corresponding day 1920; average closing price 20 railroad stocks 73.47, as compared with 72.63. (Wall St. Jour., Dec. 23.)

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

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Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

Vol. III, no. 71. Section 1 December 24, 1921.

Federal Personnel Board Created

To bring the personnel administration of the Federal Government to a point where it will compare favorably with similar departments in private enterprises, President Harding issued an order Dec. 23 creating a Federal Personnel Board under the supervision of the United States Civil Service Commission. The purpose, according to the order, is to perfect a liaison between the several departments and the Civil Service Commission by the appointment to the board of one member of each department and individual establishment who shall be designated by the head of his department. (Civil Service Com. statement, Dec. 24.)

Russian Relief Bill Signed

President Harding, Dec. 23, signed the Russian relief bill, which carries appropriations of $20,000,000 to be expended under the supervision of the American Relief Administration. The funds become immediately available. Grain purchased with this money will be moving into Russia within five days, according to the statement made by Secretary Hoover. The cash was put by Congress in the hands of the Grain Corporation, Mr. Hoover said, so that the funds would become available in a commercial manner and without the delays incident to ordinary Government expenditures. (Press, Dec. 24.)

Freight Rate Cut

An Associated Press dispatch from Omaha, Nebr., to the press of Dec. 23 says in part: "The railroads of the country will put into effect on January 1, or as soon thereafter as possible, a voluntary 10 per cent freight rate reduction on cotton, butter, poultry and other commodities, as well as the reductions ordered by the Interstate Commerce Commission for western territory on grain and grain products and hay, according to a statement issued by F. W. Robinson, freight traffic manager of the Union Pacific system. The voluntary 10 per cent cut is to be effective for six months as an experiment and will apply to the entire country, he declared. Mr. Robinson also announced the roads would continue until June 30, 1922, reduced rates on live stock and that a 10 per cent cut in rates for live stock on which no cut has been made would be put into effect."

Section 2.

Cooperative Marketing

"When we reflect on the disgraceful way in which cotton is now being marketed--the bales cut and slashed and an average of six to eight samples taken, left out in the weather to damage and rot, put on the market by the producer without any knowledge as to grade or staple, almost all of it forced on the market in three or four months because of inadequate warehousing and financing, and subjected to the toll taken by from five to fifteen middlemen between the grower and the spinner--we repeat that when we reflect on these things it is disheartening to think that any one should, through selfishness, oppose in any way, openly or under cover, the effort to improve marketing conditions by cooperation. . . It is not only disheartening but it is absolutely disgraceful that any one should seek to obstruct any movement for the better marketing of farm crops." (Progressive Farmer, Dec.17.)

Corn Acreage

The American Elevator and Grain Trade for Dec. 15 says in an editorial: "Reduction of corn acreage is being preached widely through the corn belt by State organizations and farm journals, and the idea is receiving quite general support from leaders. Such movements in the past have had a sorry way of falling through as individuals have given their enthusiastic indorsement and then tried to beat the game by planting the usual or even increased acreage so that they could reap the benefit of their neighbor's curtailment. But this year the farmers seem to be in earnest, and they have reason to be. Corn is the yellow dog of agriculture. It has been kicked and beaten this year until it has taken refuge in the cellar and no coaxing seems to bring it out. What with burning, hogging down, and waste, the end of the crop is liable to show a surprising shrinkage, and this, with a materially decreased acreage, will bring corn again into the 'King' class. This year seems about the best opportunity ever known to make a concerted action count."

Section 3.

Department of Agriculture

The American Elevator and Grain Trade for Dec. 15 says in an editorial entitled "Secretary Wallace Passes the Buck":"Secretary Wallace has been under fire ever since he took office in respect to the activity county agents are displaying in the organization of cooperative marketing agencies. In his report, given on December 12, he makes no mention of the county agents' activities which have been so generally condemned by grain dealers, feed and produce dealers and storekeepers in the country towns. To be sure the President has left a loophole in his use of the word 'proper'. 'Every proper encouragement,' he says, and of course if the pressure becomes strong enough it may appear that the county

agents' work is not proper. It is not proper and Congress never intended such an abuse of Federal agencies when they passed the Agricultural Extension Law. At the present time there are 2,400 county agents at work and most of them are bending their energies toward the destruction of private business enterprise. If that is 'proper' we must have been transported to Russia without knowing it.

"Secretary Wallace aays: 'Marketing is as truly a part of production as is the growing of the crops. . . . The assembling, storing, and distributing of farm products are productive enterprises and those engaged in them require much the same economic and technical information as that required by farmers.' In addition to this same information as required by farmers, the distributor needs to know a great deal of specialized matters of which the farmers have had no experience whatever. Secretary Wallace knows this. And yet he goes on encouraging farmers in the belief that they can take up the marketing of their products without training and compete successfully with the present instrumentalities which have been developed only with years of patient study and application. The whole program is absurd on its face."

Section 4.

MARKET QUOTATIONS

Farm Products

Dec. 23: Chicago wheat market strong. Milling demand improved. Export sales not large. Country offerings smaller. Corn moderately active. Exporters after cash corn but business hampered somewhat by light receipts and relatively small country offerings. Chicago May wheat higher at $1.17; Chicago May corn higher at 55¢. Closing prices in Chicago cash market: No. 2 red winter wheat $1.21; No. 2 hard winter wheat $1.15; No. 2 new mixed corn 50¢; No. 3 white oats 3⅝c Average price to farmers in Central Iowa for No. 2 mixed corn 35¢; to farmers in Central North Dakota for No. 1 dark northern wheat $1.08½; to farmers in Central Kansas for No. 2 hard winter wheat 95¢.

Chicago hog market higher, bulk of sales $7 to $7.30.Beef steers mostly 25¢ to 35¢ lower: Medium and good beef steers $6. to $8; butcher cows and heifers $3 to $8. Fat lambs up 25 to 40cat $10.25 to $11.40.

Potato markets stronger; trading moderate; haulings light. F.o.b. prices Maine Green Mountains $1.36 per 100 lbs. Sacked Round Whites $1.65 western New York Points. Apple markets very dull at shipping points. Danish cabbage mostly $37 to $40 per ton f.o.b. western New York; $45 Wisconsin points.

Butter prices showing tendency to recover from recent downward trend. Cheese markets inactive but steady. Held cheese in best demand with fancy June goods scarce.

Spot cotton prices higher, closing around 17.93¢ per lb. New York January futures also higher at 18.46¢.(Prepared by Bur. of Mkts. & Crop Est.)

UNITED STATES DEPARTMENT OF AGRICULTURE

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Vol. III, no. 72. Section 1. December 27, 1921.

Agricultural Bloc

The Washington Herald for Dec. 26 contains a lengthy article on the "Farmer Bloc" in Congress, explaining its formation by a statement of agricultural conditions as given in the annual report of the Secretary of Agriculture. The article gives the names of those connected with the bloc and says: "In turning to a fair examination of what the bloc has done with its power, it must be said that so far as those measures are concerned, which they initiated or advocated, little can be said in the nature of criticism even by those who are mostly disposed to deplore the underlying principle of group action in politics. As regards the measures which the farmer bloc is given credit for opposing or defeating, probably somewhat less is to be said for them. Perhaps the chief measure for which the bloc is responsible was the appropriation of $500,000,000 to be used by an agency of the Treasury for the relief of farm conditions. It is true that the form in which this measure ultimately passed was very different and much less radical than the form in which the farmers originally proposed it. But in the form in which this fund finally became available for the relief of distress in the farming districts it was an entirely reasonable measure and its application has done great good . . . The rest of the affirmative program of the farmer bloc, both in the past and for the future, has been and is largely in the same general direction of providing better credit and market conditions for the farmers . . . One of the most striking events in the present Congress was frequently but erroneously attributed to the leadership of the farmer bloc. That was the forcing of the retention of high surtaxes on large incomes."

Agricultural Situation

An editorial in The Wall Street Journal for Dec. 23 says in part: "That the period of depression through which we have been passing would have been far less severe if the farm purchasing power had not been disproportionately reduced is generally admitted. How great is the disproportion between farm and other prices is shown in a startling manner by a southern subscriber. He states that farmers are selling beef cattle for three cents a pound, while in the neighboring towns people pay an average of thirty-five cents a pound for meat. . . . . The remedy he suggests is distribution under Governmental direction. Distribution is one of the great problems. But our very recent

history should teach us that the solution is not through Gov. regulation which sets at defiance all economic laws. Raw materials, including farm products, have felt the effects of deflation far more than manufactured products, and economic forces must be relied upon to cure the inequality. Governmental interference has only made matters worse. Agriculture depends upon the consumptive markets furnished by industry. . . . ."

California Citrus Crop

"California as a gold-producing State was surpassed in 1920 by California as a citrus fruit grower to the tune of 450 per cent, according to information supplied by the San Francisco Chamber of Commerce." Figures compiled by G. Harold Powell, General Manager of the California Fruit Growers' Exchange are quoted, showing the estimated returns for the total crop of the State to have been approximately $81,200,000 for which the consumer paid nearly $168,000,000. (New York Times, Dec. 25.)

Cooperative Cotton Growers' Association

"Plans for the organization of a Louisiana cotton growers' cooperative association for the purpose of bringing about reports in the present system of selling cotton are getting under way in New Orleans. The launchers of the plans are W. G. Haynes and J. H. Watkins, of Monroe, La., and the Ouchita Valley Farm Loan Association, of which Mr. Watkins is secretary and treasurer." (Daily News Record. Dec. 22.)

Farmer on Reserve Board

"A Farmer on the Federal Reserve Board" is the title of an editorial in New York Commercial for Dec. 22, which says in part: "It may be that the 'agricultural bloc' will succeed in enacting an amendment to the Federal Reserve law by which a 'dirt farmer' will be appointed to the Federal Reserve Board. The idea is absurd, for there is no more reason why the farmers should be specifically represented than should the lumbermen, or the cattle raisers, or the labor unions, or the shoe manufacturers. The theory is, no doubt, that he would be able to prevent the alleged 'discrimination' against farmers in the matter of credit, of which there has been none that any member of the Federal Reserve Board could have prevented, acting by himself or with the board as a whole... If the board is to be reorganized let it consist of twelve members, one from each Federal Reserve district so that the dominant element in each district would naturally be represented, the governors to be elected by them from one of their number. The farmers, as farmers, have no more right to representation than any other class of citizens."

Farm Machinery for Russia

The Vestnik News Agency, at Moscow, states that the International Harvester Company, an American concern, has proposed to the central soviet cooperative committee the delivery of sufficient agricultural machinery and binder twine to supply the needs of Siberian agriculture in exchange for raw materials at the disposal of the cooperative committee in the province of Yeniseisk, East Siberia. (Press, Dec. 21.)

Farm Statistics

An editorial in the Iowa Homestead for Dec. 8 says in part: "Before any system of efficient marketing of agricultural products can be instituted in this country by the farmers, a thorough knowledge of production not only at home but also in foreign countries is essential. Heretofore the Federal Government has been the principal agency in gathering statistics in this country and whatever knowledge farmers have gained of the number of live stock and the size of the various crops from year to year has been secured from Government reports. These reports, however, have not been so complete as they might have been. In view of this, farmers will be interested in knowing that Leon M. Estabrook, of the U. S. Department of Agriculture, in addressing the meeting of the National Association of State Marketing Officials, at its annual meeting, stated that important improvements in the Government crop-reporting service and live-stock statistics are planned for the coming year, provided the necessary appropriations for carrying out the plan in mind are secured. . . . .We look upon this proposed improvement of more fully and more promptly reporting farm statistics by the Federal Government as of untold value to the farmers in their present efforts to market their products intelligently and economically."

Purchasing Power of Farmer

President Howard, of the American Farm Bureau Federation, said in an address before the Illinois Manufacturers' Association, Dec. 13; "That the farmer has no purchasing power at this time is conceded. The fact is alarming practically every manufacturer in America to-day. The farmer, for years, has been trying to press into the conscience of industrial America his own primary importance and the necessity of giving more than a passing thought to the interests affecting basic commodity producers. We were discouraged in getting any consideration of the problems that affected us. But experience is a good teacher, and the experience of the present time is driving the importance of agriculture and the primary importance of the purchasing power of the farmer into the conscience of business." (A.F.B.F. Weekly News Letter, Dec. 15.)

Russian Economic Policy

"Recent changes in the economic policy of the soviet government predict abandonment of socialism in Russia, according to a review of the situation in that country on the basis of statements in the soviet controled press issued Dec. 24 by the Department of Commerce.

A new economic policy, the department said, is being evolved by the bolshevist leaders lightening the restrictions of communism and aiming at partial re-establishment of private trade and industry and at increasing the incentive to production. Communistic management of industry in Russia, it was added, had resulted in a great decline of production and a general disorganization of economic life which has been commented upon emphatically by soviet newspapers while the decline is admitted by soviet leaders." (Press, Dec. 24.)

Russian Relief

"As a result of negotiations here between representatives of the American Relief Administration and Leonid Krassin, Russian Soviet trade representative, the Soviet Government has agreed to turn over to the relief organization $10,000,000 in gold to be used by the administration for the purchase of foodstuffs and seed in America for relief in the Volga famine area.

According to the agreement, the Soviet Government will distribute the food purchased with the gold thus provided, but the Relief Administration is to retain sufficient control to insure that these supplies actually go to famine relief in the Volga district. (Press, Dec. 25.)

Section 2.

Department of Agriculture

1. The Rural New Yorker, Dec. 24, says in an editorial: "It may be said for Secretary of Agriculture Wallace that he knows enough about the farmer's problems to put them in understandable language. No report coming from the Agricultural Department has ever received greater attention from the papers than the one of this year. Too many of these reports in the past have been long essays on philosophy or perfunctory sermons on the dignity of agriculture. At this time we need more digging than dignity--more plain truth than printed textbooks. We have got to make the town and city people understand our story. At present they are 'fed up' on propaganda until they are ready to believe the farmer is a thief, or worse. The education most needed right now is a course in plain common sense for town people."

2. "Congress rightly tries to cut down the printing of useless 'pub docs' and of so-called official publications. However, it should encourage the issuance, as frequently as the data requires, of a statistical publication to include weather, crop and market reports. Unless this is done, half of the money spent by the United States Department of Agriculture will be worse than thrown away." (New England Homestead, Dec. 17.)

3. "Mr. (Walter) Brown has recommended that the Bureau of Markets be taken from the Department of Agriculture and placed under the Department of Commerce. That would indeed be a serious mistake and if it is done it will cost the administration a million votes. The farmers want to do more marketing, and not less. They will naturally think that the very bureau that they look to for help in leading them out of the depression which Secretary Wallace says will last five years, is to be taken and delivered over into the hands of the middle men and speculators. This may not be true, of course, but the farmers are going to get that idea." (County Agent and Farm Bureau, Dec,,1921)

Department of Agriculture

4. "Wallace Hits Freight Rates" is the title of a review of Secretary Wallace's annual report in The Washington Farmer, Dec. 15. This says in part:"In his annual report to Congress Secretary of Agriculture Wallace lays emphasis upon an injustice so often attacked by The Farmer--the continuance of wartime freight rates, although the farmer's products have been cut to prewar prices and some products are below the prices that were paid before the war. . . . . The Secretary drives home his point with this striking illustration: 'The simple process of marking up the transportation costs a few cents per hundred pounds has the same effect on a surplus-producing state as picking it up and setting it down 100 to 300 miles farther from market . . ."

Section 3.

MARKET QUOTATIONS

Farm Products

Grain prices made net advances during the week ended December 23rd although the trend of the market was uncertain. Chicago May wheat advanced 4¢; Chicago May corn 2¢. Principal factors were bullish crop statistics, good export business, and passage of Russian Relief Bill. There was better milling demand at the close with mills reporting numerous inquiries for flour for shipment after first of year.

The May market continued in holiday dullness with demand light. No improvement in demand is expected until after the holidays. The feed market also was dull with receipts and sales small.

Apple arrivals were lighter; demand limited; prices steady. Sacked Round White potatoes at Northern shipping points were strong. City markets also displayed a strong tone. Eastern cabbage markets were weaker with present supplies being rapidly cleaned up. Sweet potatoes were nearly steady.

The butter markets were unsettled but prices at close showed a tendency to recover from the recent downward trend. The cheese markets were inactive but steady. Held cheese in best demand with fancy June goods scarce.

Chicago hog prices advanced 30¢ to 45¢ with light weights gaining most. The cattle market was generally draggy throughout and practically all classes and grades made substantial declines. Wholesale fresh meat prices were almost invariably lower with lamb leading the downward movement at declines of $4 to $6 per 100 lbs.

Spot cotton advanced about 56 points; New York January futures up 66 points. (Prepared by Bur. of Mkts. & Crop Est.)

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Vol. III, no. 73. Section 1. December 28, 1921.

Freight Rates

"Charges were made by Senator LaFollette of Wisconsin in a formal statement issued Dec. 26, that representatives of the railroads and of the coal, steel and lumber interests at a 'secret' meeting held in Washington December 9 attempted to obtain from farm organization leaders and did obtain from some such leaders adherence to an agreement not to push legislation to repeal the commonly called guaranty section of the transportation act and to restore a State control of State rates.

"Mr. La Follette made public what he described as 'a brief report of the action of the conference' held here December 9, which he branded 'as a conspiracy to betray not only the farmers but the consuming and the producing millions of the nation'.

"'We have never entered into an agreement with the railroads to cease agitating anything", the American Farm Bureau Federation said to-day, in reply to the statement. . . .'We are committed to repeal of section 15-A of the railroad act and will continue to work for it, and we likewise are committed to restoration of some of the powers of State rate-making commissions.' There was never any secret about the Washington conference of December 9, the Farm Bureau Federation added. The meeting was one of a series held to discuss lower freight rates on farm products.

"Alba B. Johnson, president of the Railway Business Association, tonight denied the Washington meeting was 'secret'. It was called by James A. Emery, counsel for the National Association of Manufacturers, in an effort to obtain unity of action with regard to the Capper bill then before the Senate. Representatives of virtually every national business organization in the country were present, he added, and there was entire unanimity of sentiment on the matters under discussion.

"It was decided at the meeting, Mr. Johnson said, that railroad rates should be reduced as fast as decreasing operating costs would permit; that it would be unwise for the farmers to demand that control of intrastate rates for car service be taken from the Interstate Commerce Commission, and that it was wise to recognize the desire of farmers to terminate the clause in the Esch-Cummins law which fixes 5½ to 6 per cent as the financial return for the railroads." (Assoc. Press, Dec. 27.)

Appropriation Bills

"In the House at least one important decision by the appropriations committee has been taken. An understanding has been reached that there are to be no increases in salaries, under the Federal budget, in the next appropriation acts." (Wash.Post,Dec.28.)

Agricultural Bloc

1. "It is the understanding at the Capitol that the support of the so-called 'agricultural bloc' in the Senate has been obtained for the entire treaty program of the President. Thus the group which admittedly holds the balance of power is behind the foreign policies of the administration." (Wash. Post, Dec. 28.)

2. "Mr. Howard declared in an address Dec. 27 that the organized farmers of this country will defy the national administration through the 'agricultural bloc' in Congress. 'We are going to keep on working with that agricultural bloc,' Mr. Howard asserted. 'It was organized in our own office, and for it we must assume responsibility. The bloc has enacted more good agricultural legislation in six months than had ever been passed before.'

"Mr. Howard declared that next week in St. Paul he will formally reply to Secretary Weeks' criticisms of the agrarian group delivered recently in a New York address." (Assoc. Press, Dec. 27.)

Section 2.

Agricultural Credit

1. "Is Agriculture 'Riding to a Fall'?" is the title of an article in The Commercial and Financial Chronicle for Dec. 24, which questions whether in the end it will have been a benefit to farmers to have exchanged their independent right to credit on their farms, "which, and we say this guardedly, under the best conditions, are the best form of security we have for loans", for temporary relief. "Under proper conditions it (the cultivated farm) will always procure a low rate of interest, unless its freedom is jeopardized by outside complication or interference. We reach, just here, the world-war, turning every known form of credit into doubt, if not disaster. As a consequence, are we wrong in saying this, farmers besiege the doors of Congress for credit relief. The proposals are many. Not all of them have yet taken form. But in the presence of high local rates and a scarcity of local lenders one result attained is a system of relief through new organisms created by law, by which debentures based on farm-land loans at a (for the time) comparatively low rate (though the rate has increased since origin) may reach the open investment markets bearing (by decision, announced, of the Supreme Court) the quasi-endorsement of the Government as "obligations of the United States". . . Has he (the farmer) strengthened or weakened his inherent credit power, by submitting his independence in open-credit markets to the necessity of this stated indorsement by the Government? . . . Has he set a trap for himself to secure a temporary advantage or accommodation? In that he will be compelled to knock at the doors of special privilege by Government, or ultimately pay higher rates for loans than he would in the natural course otherwise pay in years to come. He had a prime credit-power in his own hands--has he given it over into the keeping of the Government by this new process?"

2. "The Alabama Farm Bureau Federation is conducting a party of fifty farmers and business men on a trip to Texas to visit the Texas Farm Bureau Cotton Association and secure first hand information for developing cooperative cotton marketing in Alabama." (A.F.B.F. Weekly News Letter, Dec. 22.)

Cooperative Marketing

The Farm Journal for January quotes the following extract from the address of Soren Sorensen, agricultural representative of the Danish Government, to the A.F.B.F. convention at Atlanta: "We have learned that if farmers are to cooperate successfully they must loyally follow their leaders, even when those leaders make mistakes. We have learned that if farmers would cooperate successfully they must cooperate even when it does not pay."

Foreign Trade

1. "American exporters, manufacturers, farmers and business men now have approximately $3,000,000,000 'laid up abroad against an international rainy day.' Officials of the Federal reserve board estimate that this is the amount of net credit Americans now are carrying on their books for foreign buyers and consumers. The estimate, based on a study of reports of all government departments, indicates the extent to which private purses of the United States are financing the world trade." (Press, Dec. 28.)

2. "American business houses exported $4,189,343,000 in merchandise in the first eleven months of this year, according to figures made public yesterday by the Department of Commerce which also gave imports for the period as valued at $2,271,797,000. In the same eleven months in 1920 exports totaled $7,507,729,000 and imports $5,012,424,000." (Press, Dec. 28.)

3. "On the export side of American commerce in 1921, food shipments were a larger percentage than ever before. Foodstuffs of all kinds were 31.40% of eleven months' exports, against 25.18% in the year 1920 and 20.19% in 1913. (Wall St.Jour., Dec. 28.)

Freight Rates

A Huntingdon, Pa., dispatch to The Philadelphia Public Ledger, Dec. 24, says: "An illustration of how the present freight rates hinder the purchase of commodities is shown in the experience of H. O. Andrews, a miller of Mapleton Depot, who purchased a car of corn in the Middle West, and the railroad freight cost was $85 more than the cost of the corn itself. Nevin Peightel, a Huntingdon contractor, bought a carload of rough lumber in Juniata County, and it was shipped to Huntingdon, a distance of about sixty miles. The freight exceeded $400."

Meat Losses

The National Provisioner of Dec. 17 reports at some length addresses made at a conference of the Association of Organizations for the Prevention of Live-Stock Shipping losses, and says: "The story of meat lost to the consumer and money lost to the producer through improper handling of live stock will be told strikingly in figures gathered by the Federal meat inspection service, if the request of this week's Live-stock

Shipping Losses Conference at Chicago is complied with. The conference adopted a resolution requesting the Bureau of Animal Industry to add to the items of its inspectors' reports the amount of meats condemned each day because of bruises, etc. This will give the cold, hard facts in pounds and ounces. Coupled with this is the visual demonstration of the evils of bad handling, as shown in the moving picture film prepared by the Bureau of Public Relations of the Institute of American Meat Packers, which was shown at the Conference and which can be secured by any organization which may desire to use it in a campaign of education." Several speakers at the conference, as quoted, gave figures to show a large reduction in meat losses due to handling during the past year.

Tariff on Molasses

"Serious injury to the cattle molasses-feed industry will follow enactment of the Fordney tariff bill unless there is a change in the basis for assessing duty on blackstrap molasses the Senate Finance Committee was told by a delegation representing feed manufacturers and cattle feeders from every section of the country. It was suggested that blackstrap be segregated from other molasses and syrups and permitted to enter either duty free or at a low fixed rate of duty." (Jour. of Comm., Dec. 24.)

War Finance Corporation

"The War Finance Corporation, according to a Chicago Dispatch, 'is willing to loan farmers 75 per cent of the value of their grain, and to renew the loans for three years, if necessary, in order that they can hold for what is regarded as cost of production.' The use for such purposes of funds intended to promote exports is open to criticism. According to the corporation's annual report, it has advanced for 'export and agricultural purposes' $133,547,215, including $8,699,608 ' to exporters.' It is only the moving of the crops that feeds the starving or liquidates domestic credits. In the balance sheet of the corporation's report is the item 'Railroads $44,233,210.' There is no objection to that, and the comparison is not rightly so discriminating against agricultural relief as appears. The reason is that the agricultural credits are stated in several places and in various ways.

No doubt some of the advances to financial institutions cover relief to those who have overburdened themselves with unliquid assets. There is an item of 'Cotton $28,422,373,' but no small portion is warehoused for sale, rather than actually sold on a liquidated contract. It is much better that this should be done through the corporation than through the banks of discount and deposit, and there is no objection to owners of farm goods holding them on their own resources indefinitely. But there is little or rather no proof that there has been any banking obstacle to anybody selling anything for delivery at home or abroad." (N.Y. Times, Dec. 27.)

Section 3.

Department of Agriculture

"Elsewhere in this issue we print the reasons given by the Bureau of Crop Estimates for the error . . .made in regard to the size of this year's cotton crop, as well as some interesting opinions in our 'Current Cotton Comment' column, by leading New York cotton houses. . .It has been rightly said that the argument about lack of funds to enable proper checking up by the Government forecasters, is a ridiculous one. Even on this basis there is no excuse for the variations noted. We have noted that over a period of time the tendency has been to under-estimate the crop rather than over-estimate it. It may well be that the Government bureau over-emphasized the boll-weevil damage in their forecast and counted on more damage by frost than actually occurred, but there were other reasons . . "

It will take a long time for the Department of Agriculture to regain the confidence of the trade, and it is well that the present Secretary of the department is giving consideration to the matter with a view to preventing a repetition of the recent blunder in crop estimating. It is admitted that the Government's machinery for gathering statistics on live stock, the cotton and other crops is inadequate. There is some talk of consolidating the Bureau of Crop Estimates and the Bureau of the Census. At hearings before the committee on appropriations during January and February, the Secretary of Agriculture when asking for more money will advocate such a consolidation, it is understood. (American Wool and Cotton Reporter, Dec. 22.)

Section 4.

MARKET QUOTATIONS

Farm Products

Dec. 27: Wheat higher early with Chicago May selling $1.18, but prices declined later. Chicago May wheat lower at $1.16¼; Chicago May corn lower at 54½¢. Visible supply wheat 49,431,000 bushels, an increase of 1,361,000 bushels for week. Visible supply corn 21,568,000 bushels, an increase of 3,310,000 bushels for week. Closing prices in Chicago cash market: No. 2 red winter wheat $1.20; No. 2 hard winter wheat $1.14; No. 2 mixed corn 49¢; No. 2 yellow corn 50¢; No. 3 white oats 35¢. Average price to farmers in Central Iowa for No. 2 mixed corn about 34½¢; to farmers in Central North Dakota for No. 1 dark northern wheat $1.10; to farmers in Central Kansas for No. 2 hard winter wheat 87¢.

Chicago hog market strong, bulk of sales $7.25 to $7.75. Beef steers and better grades of fat cows and heifers up 25 to 50¢; Medium and good beef steers $6.25 to $8.75; butcher cows and heifers $3 to $8. Sheep and lambs generally strong to 25¢ higher, fat lambs $10.50 to $11.75.

Middlewestern potato markets stronger; demand moderate; haulings light. Bulk Green Mountains $1.41 to $1.46 f.o.b.Maine shipping points. Maine No. 1 Baldwin apples $6.50 bbl. in Philadelphia; $6.50 to $7 in New York and Pittsburgh; $6 to $6.50 in Boston. New Jersey Yellow variety sweet potatoes $1.75 to $2 per bushel hamper in New York; $1.85 to $1.90 in Boston.

Spot cotton up 34 points, closing at 18.23¢ per lb. New York January future up 39 points at 18.85¢.(Prepared by Bur.of Mkts. & Crop Est.)

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

Vol. III, no. 74. Section 1. December 29, 1921.

Agricultural Bloc

1. Southern Ruralist, Dec. 15, says in an editorial: "Agriculture in the past has been quite a side issue with most congressmen and senators, and was given attention, rather scant at that, when the big interests and practically everybody else had gotten what they wanted and gone away. We believe days when things like that can be done are in the past. We at least hope so. Maybe the reason that agriculture has received so little and such half-hearted consideration in the days gone by has been due to those we have sent to Congress. In the present Congress out of a total of 438, 298 are lawyers, 26 are bankers, 21 are farmers, and the balance are divided between publishers, manufacturers, teachers, merchants, insurance agents, doctors, owners of public utilities, and one lone preacher. However, it appears that these 21 farmers have pulled together pretty well. Not only that, they have managed to very greatly reinforce themselves by bringing some of those in other professions to see the very great importance of agriculture to the Nation's business, and the position of the man on the farm in the industry of the country."

2. Farm Life for January contains an article by Senator W. S. Kenyon, outlining the three measures which the bloc will try to have passed at this session. They are: 1. The bill to require that agriculture shall be represented on the Federal Reserve Board; 2. The cooperative marketing measure; 3. A new system of rural credits which will give longer and more satisfactory credit to the grain farmer, the live stock man and others in the farming industry. "We are not trying to do anything for agriculture which would be harmful to the rest of the country. It is rather interesting to see folks who are perfectly willing to stand for a tariff 'bloc', and a trust 'bloc', arising in their wrath when they hear of the agricultural 'bloc'... All the farmers are asking is a 'square deal' and that is all the agricultural 'bloc' is seeking for them."

3. The Country Gentleman for Dec. 31 contains an article by Representative Sydney Anderson called "The Latest Thing in Blocs", reviewing the origin, aims and methods of the farm bloc. It says: "The agricultural program which it undertook to see through is nearly finished. With the passage of two or three more bills now on the calendar its work will be done. Then the agricultural bloc will naturally dissolve and its members will become associated in new alignments according to their interests. . ."

Agricultural Credits

"A special congressional committee will hold hearings in St. Paul, Minn., on short-term agricultural credits, Dec. 28-29. Later hearings will be held in Atlanta, Ga., and possibly Kansas City." (Ill, Agric. Assoc. News Letter, Dec. 22.)

Agricultural Financing

The War Finance Corporation announces that from December 22 to December 23, inclusive, it approved 142 advances, aggregating $5,089,000, for agricultural and live-stock purposes in the West and South. During the week ended December 23, 1921, the War Finance Corporation approved 347 advances, aggregating $12,006,000, for agricultural and live-stock purposes. (W.F.C. press statement, Dec. 27.)

Cooperative Log Marketing

The Farmer, St. Paul, for Dec. 24, contains an article entitled "Selling farm logs on the cooperative plan", which describes the advantages of pooling small lots of logs with the State Farm Bureau, as practiced in southern Michigan, but states that a better way is the establishment of a community sawmill where graded lumber will attract the buyers.

Cooperative Rice Milling

"For the first time in the history of Arkansas the United States Government has extended a loan to a farmers' organization, accepting warehouse holdings as collateral. The War Finance corporation in Washington approved a loan of $1,000,000 to the Arkansas Rice Growers' Cooperative Association, thus marking the beginning of the greatest cooperative marketing scheme the State has ever known. . .It will be the first and only rice marketing organization of its kind in America and perhaps in the world." (Rice Journal, December)

Cotton Export to Czecho-Slovakia

"The first shipment of cotton to Czecho-Slovakia for manufacture under a new commercial arrangement has been compressed in Columbia, S. C....The cotton...will go to Hamburg, Germany, from which place it will be shipped...to cotton mills in Czecho-Slovakia. The cotton is to be made into cloth in Czecho-Slovakia and will be sold in London. After having been sold it will be paid for in this country, and it is expected that under this arrangement, the cotton will bring 25 cents a pound." (Daily News Record, Dec. 22.)

Cotton Pests

"Those directly concerned with the commerce and manufacture of cotton are under no delusions with respect to the tremendous economic change for the worse that would be brought about by the gradual spread of the cotton bollworm over the entire cotton-producing area of the United States, assuming that no effective means of checking or reducing its depredations are discovered before it is too late...No great amount of imagination, in fact, is required to enable even the inexpert to perceive what the economic effects would be likely to be if the entire Cotton Belt of the United States should be afflicted with the double calamity of the boll weevil and pink bollworm combined...There seems to be a reasonable hope that the measures adopted will prove successful. Nothing is more certain, however, than that if the measures fail and if the pink bollworm once fairly enters upon the process of general diffusion over the Cotton Belt, in the manner in which the boll weevil has spread, the future of cotton-growing in the United States will become dark indeed...." (The Economic World, Dec. 17.)

Federal Price Inquiry

1. "The action of the Attorney General in ordering an investigation of retail prices has brought forth a large number of telegrams and letters from individual firms and retail organizations all over the country. The majority of these communications deny charges of profiteering and price fixing made by the Department, and declare the willingness of the merchants to assist in a thorough investigation. The order, which followed the decision of the Supreme Court of the United States that 'open price' associations are illegal, has momentarily overshadowed all other Government business with the possible exception of the disarmament congress." (Daily News Record, Dec. 27.)

2. "The Amalgamated Association of Meat Cutters and Butcher Workmen made public last night a letter to Attorney General Daugherty asserting that the investigation he has ordered of the high prices charged by retailers 'looks like a smoke screen to cover up the sins of the beef trust.' The letter stated that the Attorney General had failed to acknowledge a previous communication urging investigation and prosecution of the 'big five' packing firms and their subsidiaries in New York for violation of the Sherman law 'by limiting the slaughtering of live stock through control of all available slaughtering space in New York and Jersey City.'" (Press, Dec. 24.)

Freight Rates

1. In view of the fact that the railroads plan to make 10% reduction Jan. 1, leaving rates as they now are within New England, the New England Farmers' Traffic Committee, according to the New England Homestead for Dec. 24, has taken action as follows: "1. Files formal protest with Interstate Commerce Commission against allowing rate schedules to become effective which are discriminatory against New England; 2. Serves

notice upon each New England railroad that it will be made defendant before the Interstate Commerce Commission under charges of maintaining rates which are illegal; 3. Takes first steps necessary to get case legally before the tribunal having jurisdiction. The Committee declares that the proposed rates as affecting New England are preferential, discriminatory and prejudicial, that as such they are illegal under the Interstate Commerce Commission Act, that no plea of poverty by carriers... can justify such rates nor will said rates stand the test of the courts of last resort, that New England farmers, backed by business men, chambers of commerce, influential business bodies and by industries in general, will not submit to the proposed injustice nor the precedent of setting aside one section of the country for rate manipulations which give competitors an unfair advantage...One member went on record as believing the committee should go still farther and actually demand suspension of the proposed rates on the grounds of justice for and self-protection to New England."

2. A dispatch from Springfield, Mass., to the New York Times of Dec. 25 says: "Notification was received to-day by the Chamber of Commerce that the Boston and Maine Railroad has agreed to a reduction of ten per cent in freight rates on agricultural products originating on its own lines, in conformity with similar action by the New York. New Haven and Hartford Railroad."

Trade Associations

The Journal of Commerce for Dec. 28, commenting editorially on the recent decision of the Supreme Court in the case of the Hardwood Lumber Dealers' Association says in part: "What is to be the policy of the numerous trade bodies of the United States? The decision of the Supreme Court, printed in the columns of this paper yesterday morning, is necessarily alarming to all business men who want to keep within the law. Their problem is rendered a good deal more complex by the fact that various branches of the Government are performing the very function which the Supreme Court complains of. True, they are not carrying their work on in the same way that was adopted by the Hardwood Lumber Dealers' Association, but the essential idea of the service rendered by the Government is the same in the one case as in the other. The Department of Agriculture for instance, sends its crop estimates to all who are interested in them, but it has often proclaimed that they are issued in the interest of the farmer. During the past season they aided in securing a far better price for cotton than would have been attained, had the reports, with their pessimistic view of the season's output, not been sent broadcast through the country...It is highly important that all who value careful and scientific business and trade data should take some steps to define the legal status of those who are engaged in gathering information of the sort, and that in the meantime all branches of the Government should be guided by the same or similar policies of action."

Section 2.

Department of Agriculture

"The bureau report...issued on Dec. 12 with the lengthy and involved explanation of the discrepancy between the Sept. 25 figure of $6,537,000 and the Dec. 1 figure of $8,340,000, has, in a large measure destroyed the usefulness of the Bureau of Crop Estimates... As a matter of fact the July 25 condition report and first crop estimate, issued on August 3, was not very far from the facts and similarly, the figures on Dec. 12 are not far from facts. The explanation is a simple one. Not in twenty years was there such an ideal picking and ginning season...Instead of getting rattled and befouling itself and its agents, the bureau could have cleared itself if it had had the gumption to look the situation squarely inthe face..." (Jour. of Comm., Dec. 24.)

Section 3.

MARKET QUOTATIONS

Food Products

Dec. 28: Chicago grain market unsettled with December and May wheat weak most of day. Trade expects increased movement from interior when freight rate reductions go into effect next week. Chicago May wheat lower at $1.16¼; Chicago May corn lower at 54½¢. Closing prices in Chicago cash market: No. 2 red winter wheat $1.20; No. 2 hard winter wheat $1.14; No. 2 mixed corn 49¢; No. 3 white oats 35¢. Average price to farmers in Central Iowa for No. 2 mixed corn about 34¢; to farmers in Central North Dakota for No. 1 dark northern wheat $1.09; to farmers in Central Kansas for No. 2 hard winter wheat 95¢.

Chicago hog market higher, bulk of sales $7.40 to $7.90. Beef steers mostly 25¢ higher. Medium and good beef steers $6.50 to $9; butcher cows and heifers $3.25 to $8. Fat sheep and lambs generally steady; fat lambs $10.50 to $11.75.

Potato markets stronger. Sacked Round Whites $1.75 per 100 lbs. f.o.b. western New York. Bulk Green Mountains mostly $1.41 to $1.46 f.o.b. Maine points. Maine Baldwin apples No. 1 $6 to $6.50 per bbl. in Boston; $6.50 to $7 in Pittsburgh; $7 to $7.50 in New York. Danish type cabbage $39 to $40 bulk per ton f.o.b. for medium to large sizes at western New York shipping points.

Butter markets unsettled and weak.Heavy fall production and imports are disturbing factors. Cheese markets continue quiet.Chief support of markets is the anticipated after-holiday demand.

Hay market generally inactive. Receipts very light but equal to limited demand. Country loadings light. Holiday dullness curtailing feed demand. Flour and feed production by southwestern mills reported larger.

Spot cotton higher at 18.24¢ per lb. New York January futures lower at 18.81¢. (Prepared by Bur. of Mkts. & Crop Est.)

Industrials and Railroads

Dec. 28: Average closing price 20 industrials 80.80, as compared with 69.20 corresponding day 1920; average closing price 20 railroad stocks 73.88, as compared 75.50.(Wall St.Jour,Dec.29.)

UNITED STATES DEPARTMENT OF AGRICULTURE

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Vol. III, no. 75. Section 1. December 30, 1921.

Cooperative Live-Stock Shipping Association

The Farmers' Union of Iowa and the Iowa Union of the Equity Society have recently formed a new organization called the Iowa Union Cooperative Shipping Association, for the purpose of federating the local unions already formed into a State association, as reported in the Iowa Homestead for Dec. 22. The convention passed a statement which reads in part: "It is with a degree of astonishment that we have read in the public press and in circular and letter propaganda that the various State farm bureaus expect to open up so-called cooperative live-stock commission companies...in all of the leading stockyards of the country...That the above action should be contemplated at such terminal markets as Omaha, Kansas City, St. Joseph, Sioux City, St. Paul, Chicago and Denver, where the Farmers' Union and Equity exchanges were the first to establish cooperative live-stock commission companies, which have been in successful operation for a number of years...is almost unbelievable..."

Limiting Production

1. "The idea that prosperity comes from limitation is a hard one to endorse. Deep down in our hearts, most of us have a fundamental distrust of the entire theory of restricted production. Farmers have generally protested that it is not a good thing for labor to reduce hours and loaf on the job in order to enrich itself. They have denied the right of the merchant to make goods scarce so that the price might be higher...Now the farmer is ready to adopt their methods. He doesn't like the methods, but he is reminded of the old saying, 'Needs must, when the devil drives.' If organization and combination and regulation of production pay the rest of the world it ought to pay the farmer. To restrict the acreage of corn, cotton, wheat, tobacco by agreement--to control the marketing of these products by cooperation--these may be 'egregious financial fallacies', as many economists say. On the other hand they may be merely common sense...We do not know. But we are in the mood to follow the lead of commerce, industry and finance into the new field, and to see what happens." (Farm Life, Jan., 1922.)

2. "It is too early to say whether the movement to restrict the corn acreage will succeed. The idea is certainly popular in the North Central States where most of the market corn is grown. It has the endorsement of the Farm Bureaus, and of some of the most influential State farm papers. Many county agents approve the plan. It seems foolish, they say, for

farmers to produce more corn than they can profitably sell. And, in truth, it does seem foolish. If corn production can be cut down by five hundred million bushels a year, a decrease of 15 to 20 per cent, the smaller crop should bring as much money in the market as the larger crop--perhaps more. Brought down to an individual basis it would mean that each corn grower would reduce his acreage about one-sixth...It is hard to escape the conclusion that a reduced crop will make for the prosperity of the corn grower." (Farm Life, Jan. 1922.)

3. "The American Cotton Association recently mailed letters to its members in the various States in the Cotton Belt, urging the importance of a reduction of cotton acreage in 1922...To bring the importance of the matter before as many farmers as possible, Dec. 20 was set aside as 'Live at Home Day'. Meetings were held in various sections at which the importance of producing food for home use was emphasized." (Farm and Ranch, Dec. 24.)

4. The Nebraska Farmer for Dec. 24, contains letters on the reduction of corn acreage by members of the faculty of the Nebraska College of Agriculture. The writers do not advocate an organized drive for this purpose, but believe that such factors as the price of corn and the probability that there will not be a bumper crop next year following two large crops and other factors will automatically reduce next year's crop. The paper says editorially:"The letters published elsewhere in this issue...all agree that more diversification will multiply the opportunities for profit in farming. The writers suggest that seeding some of the land to legumes and grass and the keeping of more live stock would be of especial advantage in reducing the large corn surplus of the past two years."

Marketing

The Breeder's Gazette for Dec. 22 contains a lengthy article by Dean F. D. Farrell of the Kansas Agricultural College entitled "Is specialization sound in practice? A critical analysis of current agricultural marketing and production problems and practices," which comments on the quoted sentence "Excessive specialization in the professions and business is the most sinister and most wrongheaded obsession in man's racial history." It says in part: "For some time now one of the most prominent expressions of this habit as it relates to thinking has been in the field of economics, agricultural economics especially...A long-suffering public is bombarded incessantly with schemes, programs, panaceas, prayers and economic nostrums which have their origin largely in 'single-track' thinking, and which appeal to the same kind of thinking for approval. It is asked to support weird proposals of a Government subsidy...and so on and on through the all but endless category of royal roads.... Nobody knows better than the real economist how fatuous the expectations based on these alleged panaceas are...

"What has most benefited American agriculture in the past? Has it been the preying of one group upon another? Has it been eleemosynary laws? Has it been special favors to one group at the expense of other groups? It does not appear that it has

been any one of these. In general terms it has been the productive efficiency of the American farmer...He has been helped immeasurably by science and invention...Moreover, his Government has preserved order. Few of us appreciate how important this has been and is...My feeling is that in the matter of benefiting American agriculture, the pig has rather excelled the professional politician, and that the silo has done more than the soap-box orator...Is there not good reason to believe that the same general principles will apply in future, both in production and distribution? Almost everybody concedes enthusiastically that our distribution methods must be improved. In endeavoring to improve them is it not desirable that we take account of the fundamental principles which have been successfully applied in the past...? Is it not desirable that we carefully avoid all forms of mania and let the single-track method of thinking severely alone? If anyone has a right to get off on an intellectual tangent at the present time, it is the farmer. He knows, and leading financial authorities concede, not only that he is suffering from the general depression...but also that in price relationships he is suffering disproportionately. Nevertheless, however great the provocation for mania may be, the need for courageous calmness and sound thinking is greater."

Potash

"A copy of a contract entered into by 34 American manufacturers of fertilizer with the potash syndicate of Germany by which the former bind themselves to purchase 75 per cent of their potash requirements from the latter was read Dec. 29 in the record of the tariff hearings of the Senate Finance Committee. The contract was produced by S. D. Crenshaw, vice president of the Virginia-Carolina Chemical Company, of Richmond, Va., and in ordering it placed in the record Senator Smoot (Republican), Utah, said he wanted to show to senators that it not only evaded all antidumping laws passed by Congress but also all American antitrust laws... Mr. Crenshaw, whose company is one of those a party to the contract, said the instrument was so drawn that the American manufacturers could only buy 25 per cent of their supply from French or domestic sources. It developed, however, that the American firms would get a lower rate per ton if they bought their entire supply from the German syndicate than if they bought only 75 per cent from that source...He said American mines could produce now only one-fourth of the domestic requirements and that the proposed tariff would impose an added cost of $54,000,000 on the farmers to 'nurture a war-time baby.' Senator Smoot declared that there was an ample supply of potash in the United States to meet all the needs, if Congress would protect the industry until it could be fully developed. He said it was a fact that the industry had not gotten well under way before the close of the war and return of German competition." (Assoc. Press, Dec. 30.)

Tariff on Hides

"According to an Associated Press dispatch from Washington, Senator McCumber, Acting Chairman of the Senate Finance Committee, has intimated to the shoe manufacturers appearing before it that the duty on hides and skins, struck out by the

House by a vote of 239 to 174 on July 21, when the Fordney bill was passed, is to be restored when the permanent Tariff bill is reported to the Senate. The duty on hides, which have been on the free list since 1883 except for twelve years, means, as the Pennsylvania protectionist Republican, Mr. Watson, said, "that every independent tannery will be obliged to close. It will help nobody but the great packers, who are also great tanners and own and produce 60 per cent of the sole leather tanned in this country. To give these few persons, already largely controlling the raw material of leather and boots and shoes, an almost absolute control by reducing the competition of foreign hides would be the prime result of the proposed duty. Do the Republicans of the Senate Finance Committee really mean to tax every consumer in the United States for the benfit of this little knot of great tanners? A duty of 15 per cent or any other figure would do the farmer little or no good, while it would take money out of his pocket for the increased cost of leather products. Still, the vote in the House is probably to be attributed rather to the wrath of members disgruntled by their failure to get compensatory duties on leather and manufactures of leather than by any interest in the common welfare. So it may be possible, by conceding the compensatory duties, to bring about a policy of illusory benefit to the farmer and of actual injury to almost everybody." (N.Y.Times, Dec. 30.)

Section 2.

Department of Agriculture

"The Annual Report of the chief of the Weather Bureau, made recently, opens with the ominous statement that 'no material change has occurred in the customary annual program of the work of the bureau except that some additional curtailments and omissions of service have been entailed from the continued high costs and charges which must be met from appropriations remaining the same as in prewar times. After reading that sentence the Iowa farmer realizes why the daily paper no longer brings him a weather map; why the mails no longer bring the map for posting at his postoffice; why he no longer finds it in Davenport or any large city he visits where copies were formerly framed daily in conspicuous places where hundreds of people studied them; why the highway weather service bulletins have had to be discontinued; why the Weather Service is practically restricted to-day to taking observations and making forecasts, which get only such circulation as the newspapers are able to give them. Certainly a more striking illustration of false economy it would be hard to find...We have built up a splendid organization, skilled in reading weather data and worth millions to the country if allowed to be of the utmost usefulness. Why hold it still, simply marking time, instead of financing it and telling it to go ahead and do its best, enlarging its service and being of the utmost benefit to the many lines or production and distribution that look to it for help." (Daily Democrat, Davenport, Iowa, Dec. 18, 1921.)

Wool Pool

"With two less counties pooling wool in 1921 than there were in 1920, there are now 772,000 pounds of wool in the 1921 wool pool as compared to 1,500,000 in the pool last year." (Ill. Agric. Assoc. News Letter, Dec. 22.)

Section 3.

MARKET QUOTATIONS

Food Products

Dec. 29: Grain prices declined early but rallied later on report that Russian Relief contemplated buying 5,000,000 bushels seed wheat. Government crop report issued to-day estimates winter wheat area sown this fall 44,283,000 acres, which is 1.2 per cent less than revised estimated area sown in fall of 1920. Closing prices in Chicago cash market: No. 2 red winter wheat $1.20; No. 2 hard winter wheat $1.15; No. 2 mixed corn 49¢; No. 2 yellow corn 49¢; No. 3 white oats 35¢. Chicago May wheat higher at $1.17¼; Chicago May corn higher at 55¢. Average price to farmers in Central Iowa for No. 2 mixed corn about 34½c; to farmers in Central North Dakota for No. 1 dark northern wheat $1.08¼¢; to farmers in Central Kansas for No. 2 hard winter wheat 95¢.

Chicago hog market down 25 to 40¢; bulk of sales $7.10 to $7.80. Good to best beef steers steady, medium grades mostly 15¢ to 25¢ lower. Medium and good beef steers $6.50 to $9; butcher cows and heifers $3.25 to $8. Fat lambs steady at $10.50 to $11.75.

Potato markets generally steady to firm, Philadelphia showing slightly stronger tone. New York Round Whites up 10¢ at $1.85 per 100 lbs. Sacked f.o.b. Maine Green Mountains firm at $1.41 to $1.46 per 100 lbs. bulk. New York Danish type cabbage medium to large, steady at $38 to $40 per ton bulk, f.o.b.

Hay market continues generally inactive. Prices firm at New York and Chicago but weak at Kansas City. Feed demand dull. Wheat feed offerings light from mills but resellers are offering feed for future delivery at prices about $1 below quotations from mills.

Butter markets continue unsettled and weak. Cheese markets quiet with tendency toward weakness. Dealers generally expect better demand after first of year and some southern business has already opened up; neither factor, however, is sufficiently strong to hold prices.

Spot cotton prices unchanged at 18.23¢ per lb. New York January future also unchanged at 18.81¢. (Prepared by Bur. of Mkts. & Crop Est.)

Industrials and Railroads

Dec. 29: Average closing 20 industrials 80.34, as compared with 70.03 corresponding day 1920; average closing price 20 railroad stocks 73.71, as compared with 75.56. (Wall St. Jour., Dec. 30.)

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Vol. III, no. 76. Section 1. December 31, 1921.

Agricultural Conference

"By direction of the President, Secretary of Agriculture, Henry C. Wallace, is shortly to call a national agricultural conference to consider what corrective and constructive steps can be taken to relieve the depression in the farming industry. The conference will not be limited to representatives of agriculture, but will include all important allied industries, such as packers, millers, railways and water carriers, exporters, commission merchants, and so-called middlemen. The calling of the conference is an effort on the part of the administration to institute some practical means of relief along the lines suggested in Mr. Harding's recent address to Congress, when he called attention to the depression...Secretary Wallace, in a statement last night said that the date and place for holding the conference had not been determined, but it is not improbable that, like the unemployment conference, the meeting place will be Washington, though it is likely pressure will be brought to have the conference held in the big agricultural area of the West or Northwest." (Wash.Post, Dec. 31.)

Federal Price Inquiry

"Retail price statistics, showing what consumers are compelled to pay for some of the more essential commodities demanded by their households, will be compiled and ready for the Attorney General, probably within the next week, it was announced yesterday at the Department of Justice. William J. Burns, director of the bureau of investigation, reported to Attorney General Daugherty that rapid progress is being made by the branch agencies of the department in all parts of the UnitedStates, in gathering data desired as a basis for possible future action either in the Federal or State courts." (Press, Dec. 31.)

Tariff

"Senate tariff makers plan to start next week the redrafting of the so-called permanent tariff bill, passed by the House last spring. Their aim is to have the measure ready for the Senate by early February, but, because of the great task involved in passing on the more than 100,000 items in the bill, this hope may not be realized. The first task before the finance committee is a decision as to the adoption of a straight-out American valuation plan of assessing duties, or the substitution of a plan similar to that outlined by President Harding in his message to Congress early this month...Hearings on the tariff

virtually were closed yesterday, though on January 9 representatives of the Southern Tariff association will appear. Lumber and dairy products were the principal subjects discussed yesterday, the lumber hearings being marked by charges by Robert B. Allen, of Seattle, speaking for the West Coast Lumber Manufacturers' association, that 'a Canadian lobby' in Washington was fostering 'an insidious propaganda' against the proposed duty of 50 cents a thousand on shingles and the provisions of the Fordney bill giving the President authority to impose a duty on lumber if countries now taxing American lumber imports decline to remove that tax. Mr. Allen supported these provisions, while they were opposed by Donald D. Conn, of Minneapolis, for the Western Pine Manufacturers' association; Harrison Hatton for the Northwestern Lumbermen's association and other witnesses...A duty of 10 cents a pound on butter in place of the proposed 8 cents, with a corresponding tax on other dairy products brought into this country, was urged by R. W. Balderson, of Philadelphia, secretary of the Interstate Milk Producers' association, and A. M. Loomis, of Washington, who said he represented the National Dairy union and National Grange." (Assoc. Press, Dec. 31.)

Section 2.

Agricultural Credit

"The Alabama Farm Bureau Federation is conducting a party of fifty farmers and business men on a trip to Texas to visit the Texas Farm Bureau Cotton Association and secure first-hand information for developing cooperative cotton marketing in Alabama." (A.F.B.F. Weekly News Letter, Dec. 22.)

Agricultural Financing

"The War Finance Corporation announces that on December 27 and 28, 1921, it approved 117 advances, aggregating $3,699,000, for agricultural and live-stock purposes in the West and South." (W.F.C.press statement, Dec. 29.)

Argentine Fruit Imports

A dispatch from Buenos Aires, quoted in the Fruit Trade Journal for Dec. 24, says: "Mr. Brady, the American trade commissioner, announced to-day that ten tons of fruits and vegetables will be shipped from Buenos Aires on Jan. 3 on a steamer sailing from New York... The Shipping Board and representatives of the Department of Commerce will expedite the transportation of the cargo."

Bond Issues

"The farmers of the United States, according to the latest and most reliable information on the subject, owe the stupendous sum of $5,317,375,341...On this great sum of money the producers are paying an average interest of 7.8%, or the sum of $414,755,-276 annually...On the basis of valuation, the farm debt can not be considered exorbitant, or near the danger line, but we must also take into consideration that the farmers are also paying their share of interest on the national, State and county debts, and interest on all money loaned by the banks in the country... Taxpayers must consider that every improvement paid for by a bond issue costs them from two to three times the amount before the bonds are retired, if ever, and more often than otherwise, the improvement has worn out or become inadequate before the bonds

mature...Farm and Ranch believes in progress and that bond issues are often necessary...but is also of the opinion that we can make progress at such a rate that it will eventually bankrupt the Nation...It is easy to get into debt but very hard indeed to get out." (Farm and Ranch, Dec. 24.)

Corn Acreage

The Prairie Farmer for Dec. 24 gives arguments and figures in answer to those who maintain that a campaign for reduction of corn acreage is not necessary.

Egyptian Cotton Imports

"Upward of 10,000 bales of Egyptian cotton, the largest direct shipment of the kind ever assigned to this country in an American bottom, will be carried by the Shipping Board steamer Ophie when it sails from Alexandria, Egypt, for Boston within a few days." (Press, Dec. 31.)

Farm Loans

1. "Do not borrow money unless you need money badly; but if you have to have it, 'Go after it'...There have been approved in Utah War Finance Corporation loans aggregating less than $400,000 for live-stock financing; although, of course, there have been several millions received to finance the sugar business. Montana on the other hand according to the reports we have, has received upwards of $3,000,000. Wyoming has received practically $2,231,000, New Mexico has had $1,200,000 and Arizona about three-quarters of a million...It may be that the live-stock men in Utah do not need the money. If this is true then we are misinformed...We have been bombarded with inquiries from men who wanted to borrow money...We constantly advise our readers to keep out of debt. But if farmers and live-stock men need money, they can get it from the War Finance Corporation. Repeated assurances to this effect have come out of Washington." (Utah Farmer, Dec. 24-31.)

2. "We have received many letters in response to our appeal for information as to the attitude of local bankers regarding the handling of funds of the War Finance Corporation for the benefit of farmers in their localities. These responses have indicated that some of the farmers, as well as some of the bankers, look upon this proposition as political bumcombe. We are certain that they are entirely mistaken...But the bankers who are charged with the development of the plan in Michigan and the local bankers who should be interested in seeing it function for the betterment of agriculture in their several communities are apparently, for the most part, either lukewarm in their efforts, definitely opposed to the functioning of the plan in Michigan as it is functioning in many other States...It is either a matter for congratulation on the financial condition of the farmers of Michigan or a sad commentary on the attitude of the bankers of the State, that not a single dollar of this War Finance Corporation money has yet been loaned in Michigan." (Michigan Farmer, Dec. 17.)

Freight Rates

The A.F.B.F. Weekly News Letter for Dec. 22 reviews the work of the American Farm Bureau in helping to bring about reduction of freight rates.

Live-Stock Export

"Export sales of live stock are being made from Kansas City to Europe and to Mexico. While the sales are small, the trade in live stock is greatly encouraged over the business, because it looks upon it as a sign of improving economic conditions in Mexico and in Europe." (Press, Dec. 23.)

Navel Orange

"Recently the city of Riverside paid fitting tribute to the "Mother" of the California citrus industry. A bronze tablet was unveiled at the foot of one of the veteran Washington navel trees which Mrs. Eliza Tibbets brought to California nearly one-half a century ago...Who is there that could have prophesied in 1873 when Mrs. Tibbets arrived in Riverside with her two small orange trees, which had been presented to her by Willian Saunders of the government propagating station in Washington, D. C., that within forty-eight years an industry would arise that should prove to be one of the State's most famous?" (Calif. Citrograph, Jan., 1922.)

Railroad Wages

"The very best service our farm leaders could render agriculture at this moment would be to go before the Railroad Labor Board and demand immediate cut of railroad wages. It seems an inconceivable situation that these men supposed to represent agriculture should hesitate in their duty to seek correction of an evil so gigantic as are the inflated rail rates occasioned most largely by wages of rail labor. Directly and indirectly farmers are paying 55% of this enormous bill. Farmers themselves are getting less than 1913 wages. Railroad workers are getting their 1913 wages plus an additional increase of 65%." (Amer. Agriculturist, Dec. 24 and 31.)

Russian Relief

"The agreement negotiated in London last week whereby soviet Russia will turn over to the American relief administration $10,000,000 worth of gold for the purchase of grain in the United States for famine relief in the Volga region, was signed there to-day by Walter Lyman Brown, on behalf of the relief administration, and by Leonid Krassin, on behalf of the Russian soviet Government. The agreement calls for expenditure of $10,000,000 in America within 90 days. The purchases of food and grain are to be made monthly at the rate of not less than one-third of the total amount and the first order must be given within five days of the signing of the agreement."(Assoc. Press, Dec. 31.)

Trade Associations

"A rehearing of the case in which the Supreme Court of the United States on Monday held the open competition plan of the American Hardwood Manufacturers' Association to be in violation of antitrust laws will be sought. Mr. Boyle (general counsel of the association) declares that the decision is unsatisfactory in that it does not lay down a 'yardstick' by which other trade

associations may determine their course in the assembling and distribution of statistics...In particular, Mr. Boyle declares that the decision fails to make clear as to whether the plans of Secretary of Commerce Hoover for gathering statistics with the cooperation of trade associations can be carried out without violation of the law." (N.Y. Commercial, Dec. 24.)

Section 3.

MARKET QUOTATIONS

Food Products

Dec. 30: Grain prices lower early on bearish construction placed on report of acreage and condition of wheat crop for 1922. Seaboard reported fair export business. Corn lower with wheat. Chicago May wheat lower at $1.15; Chicago May corn lower at 54¢. Closing prices in Chicago cash market: No. 2 red winter wheat $1.18; No. 2 hard winter wheat $1.13; No. 2 mixed corn 48¢; No. 2 yellow corn 48¢; No. 3 white oats 34¢. Average price to farmers in Central Iowa for No. 2 mixed corn about 33¢; to farmers in Central North Dakota for No. 1 dark northern wheat $1.09¾; to farmers in Central Kansas for No. 2 hard winter wheat 95¢.

Chicago hog market lower, bulk of sales $6.40 to $7.15. Medium to good grade steers dull at $6.25 to $9; butcher cows and heifers steady to lower at $3.25 to $8. Sheep and lambs generally steady; fat lambs $10.50 to $11.75; feeding lambs $9 to $10.75.

Potato markets steady to firm; demand and movement slow. New York Round Whites up 5¢ f.o.b. at $1.90 per 100 lbs. sacked. Maine Green Mountains up 5 to 10¢ at $1.46 to $1.56 per 100 lbs. bulk. New Jersey sweet potatoes $2 to $2.25 per bu. in New York; $2.40 to $2.50 in Chicago. Maine Balwin apples No. 1 from common storage $6 to $6.50 per bbl.; from cold storage $7 to $7.50.

Holiday inactivity in hay market continues. Receipts light but equal to limited demand. Prices firm at Chicago and Minneapolis. Millfeed market inactive. Wheatfeed prices firm on light production, but demand light and offerings slightly larger. Demand for other feeds only fair.

Butter markets unsettled and weak. Heavy fall production and imports are disturbing factors. Cheese markets quiet with tendency toward weakness.

Spot cotton prices higher at 18.37¢ per lb. New York January future also higher at 19.07¢. (Prepared by Bur. of Mkts. & Crop Est.)

Industrials and Railroads

Dec. 30: Average closing 20 industrials 80.80, as compared with 71.95 corresponding day 1920; average closing price 20 railroad stocks 73.86, as compared with 75.96. (Wall St. Jour., Dec. 31.)
